

A RAZOR-SHARP ENTREPRENEUR

MARK LANE MEETS DOUG RICHARD, THE FORMER DRAGON'S DEN PANELLIST WHO IS TEACHING THE 'TRICKS OF THE TRADE' TO WOULD-BE ENTREPRENEURS

THE age-old debate as to whether entrepreneurs are born or made may well be well-trodden ground, yet it's a fascinating debate, not least because it continues to so dramatically divide opinions.

One man who certainly has something to say on the subject is Doug Richard. In typical forthright manner, and with a nice touch of Californian twang for extra effect, he told me, "the idea that entrepreneurialism is something magical or mythical is just bullshit! Like anything else, there is method in being an entrepreneur. It is a methodical process and anybody can learn it."

There was more, much more of this from Richard during a fascinating interview with the former Dragon's Den star, answering questions honestly and enthusiastically, sometimes, one senses, with tongue firmly wedged in cheek. He certainly isn't frightened of rattling a few cages and, unlike so many of our own home-grown business leaders, doesn't seem to see the need to choose the words to his answers extremely carefully to ensure that they are PR-friendly.

Doug Richard has built his name in the technology sector, growing and selling companies on. He appeared on Dragons' Den in the first two series, winning plaudits for his no-nonsense style and fierce intellect. Atypically for a high profile entrepreneur he is very well educated - he has a BA in psychology and a Juris Doctor from the University of California.

He currently lives in Cambridge. His wife is European and he says that it was purely for family reasons he left the US for Europe. "I just thought, 'let's have an adventure,'" he says. "Sure, the weather sucks here but it has been a lot of fun."

Asked about the differences between the business climate here in the UK and the US, he says: "I think in the US when you start out, everybody is rooting for you - and that



Doug Richard (second left) was an original panellist on BBC's popular Dragons' Den

includes customers. There is less of that here and I think part of that is that corporations are more conservative and less inclined to take a chance on you."

Richard has been quoted in the press as saying the reason he decided to be an entrepreneur was because nobody else would employ him. He's possibly being a bit harsh on himself here but, then again, it's impossible to see him working for anybody else - he is just too big and forceful a personality.

Take, for instance, how he describes his biggest mistake in business which, he says, was selling his second company - ITAL Computers - for shares instead of cash. The shares bombed and he felt like he'd got a raw deal. "So I ended up doing a hostile takeover," he says. "I was in the mood for revenge and the only way I was going to get it was to take over their business and fire the sons of bitches who did that to me."

Not a man, I would suggest, to be crossed. That said, there is a danger here of painting a picture of a loud, brash American who bullies his way to success in business. Such a

stereotype does Richard no justice. He is a thinker, a man with a razor-sharp brain and a brilliant knack of spotting market opportunities. Indeed, such are his credentials that the Conservative Party saw fit not long back to make him chairman of their Small Business Task Force.

The Task Force took as a starting point an attempt to build up a picture of existing business support provision in the UK. There was a feeling that there are too many organisations delivering too much support and too much confusion. For the record, there are around 2,000 organisations in the UK delivering publicly-funded support services to small business.

Richard, as you might have guessed, is less than enthusiastic about the current support set up. His main gripe is that it is trying to do too much and "meddling" in areas where it is not qualified.

So what would work then? What would help small businesses successfully navigate the crucial first 12 to 18 months?

Well, funnily enough Richard himself has the perfect solution. It's simple really - just enrol on School for Start-Ups, his latest business

venture which is, in many ways, putting Richard's beliefs about being able to teach the tricks of the trade into practice.

School for Start-Ups is, according to the blurb, a "provider of business training for entrepreneurs which provides expert tuition on the critical issues entrepreneurs need to understand." The school provides tuition in areas such as how to start a business, investment, product management, managing successful teams and entrepreneurial marketing.

Richard's argument, then, is that his school is overseen by people who have been there and done it, battle-hardened entrepreneurs who know exactly what it takes to develop a successful business. So far, the venture has achieved considerable success. It has trained around 1100 people and is expecting a big increase in numbers in 2009. "It is a business that is very much suited to the economic downturn," says Richard. "There are a huge amount of people right now who are trying to understand how they can become self-reliant. People are realising that their jobs are not so safe these days. There is more to what we are doing than simply teaching people how to make money."

Asked what the biggest mistake he sees would-be entrepreneurs making, Richard is unequivocal. "Under-valuating their initial proposition," he says. "So often, people don't have a proper understanding of what kind of business they have started. They don't understand the correct value of what they are doing and so cannot price things correctly. This means that, as they go on, they will continue to get things wrong over and over again."

As an aside, before ending our interview, I ask about his most satisfying moment in business. Interestingly, it came at the start of his career. "Selling my first business was a lovely feeling," he says. How much did he make? "A high six-figure sum - it felt like a fortune because I was only 20." Did he not fancy taking some time off to go travelling around the world partying? "I did take some time off," Richard says. "I waited, oh, a week before jumping back in." Richard, I would suggest, is one entrepreneur who was born and not made. ■

Visit www.schoolforstartups.co.uk

This article first appeared in the national magazine Business Today. To see more of the publication, please visit www.ukbusiness-today.co.uk

FACTFILE: DOUG RICHARD

A successful entrepreneur with 20 years' experience in the development and leadership of technology and software ventures, Doug featured in the first two TV series of Dragon's Den. He is the Founder and Vice-Chairman of the Cambridge Angels and Chairman of the Conservative Party Small Business Task Force.

Between 1996 and 2000 Doug was President and CEO of Micrografx, a US publicly quoted software company.

Prior to that he also founded and subsequently sold two other companies: Visual Software and ITAL Computers.

Doug holds a BA in Psychology from University of California at Berkeley and a Juris Doctor at the school of Law, University of California at Los Angeles. In 2006 Doug was an Honorary Recipient of The Queen's Award for Enterprise Promotion. In 2007, Doug became a fellow of the RSA.