



# SDSU Inc.

## Today's entrepreneurs define

**By Coleen L. Geraghty**

The American landscape is rich with legends of entrepreneurship. Driven by a spirit of adventure and a restless imagination, pioneers like Henry Ford, Estee Lauder, Steve Jobs, Oprah Winfrey and Bill Gates catapulted into the lore of 20th century enterprise.

*Now, in their footsteps, come the entrepreneurs of the 21st century:*

Jaime Mautz, Cari Enayati, Prabakar Mahalingam. If they currently lack the cachet of a Gates or an Oprah, they aren't concerned. Define them as creative, resourceful, networked, Web savvy and globally minded. Define them as San Diego State University alums.

Entrepreneurship is a hot topic in academia these days. A recent New York Times report said more than 1,600 colleges now offer courses in the subject, up from a meager 300 in the 1980s when SDSU's Entrepreneurial Management Center opened its doors (see story on page 27).

College entrepreneurship programs are now evaluated by national magazines. *US News & World Report* this year ranked SDSU's program 22nd in "America's Best Graduate Schools" and *Entrepreneur* magazine included

\$185 million company with 1700 employees and 18 production facilities around the world. It was acquired in 2000 by Automatic Data Processing Corporation.

"By definition, entrepreneurship is a function of opportunities," Cunningham said. "The hierarchical organizations of yesterday are giving way to flatter, more ad hoc companies that foster innovation. This has created a feeling of empowerment among young people eager to exploit the opportunities in today's information-centric economy."

### **Born for business**

San Diego State, with its well-established College of Business Administration, MBA and EMBA programs, has produced thousands of entrepreneurs. In March, the college honored 10 alums with the 2006 Charles Lamden Rising Stars of Business Awards.

business from a great idea and a great deal of hard work.

*Mautz personifies the born entrepreneur. As a young girl, she created knick-knacks and sold them in the neighborhood.*

She recalls setting up her own shop in competition with the school snack bar. Her decision to enroll in SDSU's MBA program was no surprise to friends and family.

A month before Mautz received her degree in May 2000, she established Pacific Ink with her husband, Alex, and brother, Kyle Smith. Originally run out of the Mautz's home, Pacific Ink offers same day shipping of inkjet, fax and laser toner cartridges.

So far, the company has doubled sales annually, offering more than 2,000 products from locations in San Diego and the

## success on their own terms

SDSU in a 2005 list of the 100 best entrepreneurship programs in the country.

But while the academic focus on entrepreneurship is recent, it reflects centuries of profound change in the global economy, said Michael Cunningham, SDSU clinical professor of entrepreneurship and a veteran entrepreneur himself.

Cunningham is founder, CEO and president of Cunningham Graphics International (CGII), a business he grew from a one-press operation with 11 employees to a

Among the honorees were: John Crisafulli, whose Behind the Scenes catering business served broadcasters at 19 venues during the 2006 Olympic Games in Turin; Kirk Imamura, who turned a faltering recording studio operation into the profitable Avatar Studios with Eric Clapton and Sheryl Crow as clients; Mike Erwin, the San Diego County Commercial Association of Realtors' 2002 "Industrial Deal Maker of the Year," with more than 600 real estate transactions completed since 1999; and Jaime Mautz, who built a million dollar

Midwest. But even with the company's growth, Mautz and her husband continue to job share as they've done from the beginning. One of them is always at home with their two young children, a priority for the couple.

In 2002, Mautz was a finalist for the San Diego Business Journal's "Women Who Mean Business" award. She, her husband and brother are currently developing an idea for a second company to systematically recycle empty ink cartridges. Their business plan calls for

# Business in the 21st Century

“The difference between entrepreneurs and managers is a willingness to take personal risks with your own assets and future. It has something to do with the way you see things. Most good managers are entrepreneurial, but having vision and creativity is not widely distributed.” Harvey Goodfriend, director of external programs for SDSU’s Entrepreneurial Management Center.

hiring developmentally disabled employees to handle portions of daily operations.

“We’ve spent the last six years building our lives, and our company, taking one possibility, one opportunity at a time, while creating a little history,” Mautz said. “In the end, we want to be philanthropists. We want our business to serve our passion, which is to help people.”

## Going for the green

A similar philanthropic theme runs through 34-year-old Prabakar Mahalingam’s entrepreneurial career. And, like Mautz, he put his SDSU education to work before the MBA was in hand. The proverbial light bulb sparked one evening, while in the Gaslamp district with friends, when Mahalingam couldn’t find a place to recycle his empty beverage container.

“Every bin was a concrete garbage container,” he recalled. “Finally, I had to toss it in a garbage bin with lots of other plastic bottles. It occurred to us that there were no recycling bins in high traffic places like Hillcrest, North Park, PB and the Gaslamp.”

The problem roused Mahalingam’s innovative instincts. With another MBA student, Cari Enayati, and her husband, Shahin, he developed

the concept of a recycling container with aesthetic merit – EnviroBinz.

*The products can incorporate the unique architectural themes of different San Diego neighborhoods.*

And by selling advertising space on the bins, the Enayatis and Mahalingam could provide them to the city at no cost.

In early 2006, with 25 bins on the streets of National City, the partners took their business plan to Venture Challenge, an annual competition sponsored by SDSU’s Entrepreneurial Management Center. The contest is a forum for graduate students from around the world to present new business plans to a panel of prominent industry executives. Winners receive advice from the experts and \$15,000 in seed money to jumpstart their company. In 2006, the EnviroBinz team took first prize.

But there’s more than winning at stake for Mahalingam and the Enayatis. They’re proud of the 30 percent reduction in trash accumulation along National City Boulevard since installation of the recycling containers. The civic-minded EnviroBinz partners also plow 10 percent of profits into community development.

“If you don’t have compelling reasons for starting a business, you won’t make it through the hard times,” Mahalingam said. “Our ideals and values for this company come from our



principles and faith, the Baha’i faith, which emphasizes social entrepreneurship, self-sustaining solutions, and giving back to the community. Business has to empower everyone in the community.”

## The ethical entrepreneur

Mautz and Mahalingam are typical of young CEOs who view success through a lens of social responsibility. Disillusioned by corporate malfeasance at former industry titans like Enron and Tyco, many up-and-coming entrepreneurs deliberately incorporate green initiatives, philanthropic conventions and a strict code of ethics into their business plans.

SDSU students seeking a framework for corporate responsibility need look no further than the campus’ Corporate Governance Institute (CGI), run by Lori Ryan, associate professor of management in SDSU’s College of Business Administration.

*Ryan’s research and teaching focus on the intersection of ethics and corporate governance.*

Both her graduate and undergraduate classes are informed by unique academic credentials – a master’s degree in philosophy and a Ph.D. in management.

As director of the CGI, Ryan is positioning the institute to become a dominant center for the study and application of responsible corporate governance principles with a board that includes San Diego’s business leaders.

“Our students have access to the most current research in the field and to a premier group of experts and guest speakers,” Ryan said. “Having the institute on campus puts us on the cutting edge of corporate governance education.”

On the cutting edge is where these aspiring entrepreneurs will have to stay in order to compete in the 21st century.

## Taking Entrepreneurship to the Next Level

Ask today’s young people about their goals, and the majority will talk about starting a business. Prospective entrepreneurs exist in every discipline – from science to sociology.

The Entrepreneurial Management Center (EMC) wants to mentor all of them.

“We want to make entrepreneurship classes available to all students at SDSU,” said EMC director Sanford Ehrlich. “The EMC’s growth will be in hosting programs that teach all students to recognize, pursue and develop opportunities.”

A NASDAQ Center of Excellence, placing it among the top eight such programs nationally, the EMC (<http://sdsu.theit-pros.net/>) celebrates its 20th anniversary next year.

Financial and advisory support from several prominent business leaders and entrepreneurs has sustained the EMC over two decades. Among its most enthusiastic backers is Leonard Lavin, founding president and chair of Alberto-Culver Company, who served as Entrepreneur-in-Residence in 2005 and 2006.

The EMC augments SDSU’s academic entrepreneurship program and provides a venue for faculty and students to work collaboratively with local corporate leaders in the areas of research and curriculum. Both Jaime Mautz and Prabakar Mahalingam refined their business plans with the help of EMC mentors (see “SDSU Inc.,” page 24).

Outreach is another important facet of the EMC’s mission; more than 180 students have been placed with 175 regional not-for-profit organizations through the social entrepreneur internship program funded by QUALCOMM Inc.

