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Start-ups in the blood of serial entrepreneurs : Assuming risk and enduring stress arouses the passions of these unique business owners

Jodie Jacobs, Special to the Tribune

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Some entrepreneurs survive the stress, long hours and high risk involved in starting their first business ventures--then turn around and do it again.

And again.

Bill La Pietra of Lake Forest, for example, doesn't even know how many businesses he's started.

"I've never counted. ... I love to provide a service and earn money," said the 60-year-old La Pietra. "It's in the blood. I just love it."

Currently, Pietra is focusing on two companies: Med-Vet International, a mail-order disposable medical supply firm that primarily services veterinarians, and American Health Service, which sells supplies to veterinarian distributors like himself.

American Health and Med-Vet are the latest in a string of ventures that included therapeutic magnet products in the 1990s, restaurants in the early 1980s and a gold and silver coin business in the 1970s.

He also grew a three-car driving school bought in 1970 into the Easy Method Driving School, a Sears licensee that had 600 employees in 26 states, that he later sold.

An early proponent of credit card bill insert advertisements, La Pietra bought a printing company to produce his inserts.

"I did one of the original inserts. Everyone said, `No, you can't do that.' I said, `Why not?'

Now, everyone is doing it," he said.

Why not, it turns out, is more than a popular La Pietra phrase. It is his mantra.

When a family member's job evaporated after a metal-plating plant closed, he recalls saying, "Why not buy a metal-plating business?" He also remembers the relative's reluctance before taking the plunge.

"He could not imagine himself owning a business," La Pietra said. "You have to be willing to take a risk. There's no way out of it. That's what keeps so many people out."

He thinks his next move will be to add a pharmacy.

"Medical surgical disposables are 20 percent of a veterinarian's business. The biggest part is pharmaceuticals," he said. "I thought, why not go into pharmaceuticals?"

In many ways Daniel Weinfurter, founder and former chief executive of Chicago-based Parson Consulting, an international finance, accounting and business systems service, is like La Pietra. Both are likely to start or expand companies, then move on to other ventures.

Weinfurter, an outsourcing guru who worked with Barrington-based Alternative Resources Corp. in the 1980s, left to start Parson a few months after ARC went public in April 1994.

Begun in 1995 as an accounting outsourcing company with 15 employees and no money, he grew it into a consulting firm with 600 employees and $90 million in revenues by 2002. He sold the business to Management Consulting Group PLC, a UK-based publicly listed company, in May 2002, then bowed out in November.

"I sold with the thought I would stay in, but I realized if I did, I would not be in charge," he said. "So staying in was not that interesting to me. I have a strong desire to do things on my own."

Starting from scratch

What interested him was to start another outsourcing company, this time for human resources. Weinfurter and partner Greg Silich, former chief financial officer of Leo Burnett, picked up a company in May that had eight employees but no capital or CEO. They changed the name to Capital H, pulled together a pool of $8 million and opened offices in Milwaukee and Chicago.

"Basically, we started from scratch," he said.

In its short history, Capital H has nearly doubled its revenues, to $2 million, and more than doubled its employees, to 18. Weinfurter expects revenues of approximately $5 million and an employee count of 25 by the end of 2003.

Pointing out that Parson had headed Inc. Magazine's October 2000 list of fastest-growing private companies in the U.S., Weinfurter said, "I think I will be back on Inc.'s charts again."

Weinfurter, a former General Electric Co. executive, said he does not fret about the risk.

"My perception is that I'm not taking a great risk, because I think I'm starting with something that has a tremendous amount of potential," he said. "It's riskier working for a large company, where you are at the whim of someone higher up, and things may not go your way."I like being a big fish in a small pond and making the pond larger," he added.

Like Weinfurter and La Pietra, Evanston entrepreneur Troy Henikoff enjoys riding the next business-to-business wave. The 39- year-old Henikoff had founded Specialized Systems and Software, a Chicago company that customized database applications, in 1986.

Sold in 1992 to Mundelein-based Medline Industries Inc., a privately held manufacturer and distributor of health-care supplies, he left what had become the Systemetrics division when his contract ended in 1997.

"I would have made more money staying, but, frankly, money does not motivate me. Creating something out of nothing does," he said. He was to repeat that pattern a few years later.

In 1999, Henikoff joined with ASAP Software Express founder Scott Wald and Oxford

Bank and Trust Chairman George Colis to found SurePayroll, a Skokie-based online payroll system that electronically distributes paychecks for small and midsize companies. The company soared after tying in with Wells Fargo Bank and State Farm Insurance. Last year, when it obviously was no longer a start-up, Henikoff chose to exit.

"We were responsible for other people's money in excess of a billion dollars. I did not want to have to deal with the procedures involved. So I left," he said. "I like the start-up phase, the put- it-together-with-bubble-gum-and-duct-tape phase."

A pattern of moving on

Currently, he and Doug Grimsted, founder of Geneer Inc., a recently shuttered software consulting firm, are duct taping together CertifiedSupplier, a business that taps into eBay's auction market. The company facilitates gift-certificate offers from local stores in appropriate eBay categories. Henikoff sees the certificates also working for franchises.

"EBay makes it possible, and our proprietary technology makes it a reality. We allow companies to tap into the wealth of eBay to build their customer base," he said.

Still in the building stage, Henikoff is happy with the challenge.

"Moving on is not specifically in my plan, but if history proves correct, that is likely to happen," he said. "I love starting up a company. That means that whatever happens next, whether it fails or is successful, I will likely be out of a job in three to five years."

Henikoff, a frequent guest lecturer at Northwestern University's Kellogg School of Management, views entrepreneurs in general as people who "rebel at structure" and "love the process" of building.

"That person is more likely to be good material to be involved in a start-up," he said. "You have to be prepared for long hours, hard work and a lot of risk."

Chicagoan Barry Moltz, 43, a self-proclaimed entrepreneur junkie who has experienced failure and success, has written a book called, "You Need to be a Little Crazy: The Truth About Starting and Growing Your Own Business," slated for publication in October.

Moltz, founder of SciTech Inc., a successful technology software company he sold in 1999, considers the book a tactic to postpone the inevitable: beginning another business.

"I'm trying hard not to start another company, although I know I eventually will," he said. "I can't help but do that. It's my drug of choice. I do not drink or smoke. I'm an entrepreneurholic."

As for the book's title, he said, "Basically, you have to be nuts. You know those formula books: 10 steps to success. There are no 10 steps, only two secrets: luck and timing."