

Testimony of Dr. Stephen Morgan

Chair, Board of Trustees

My Own Business, Inc.

Before the U.S. House of Representatives Committee on Small Business

Subcommittee on Economic Growth, Tax and Capital Access

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Thank you, Mr. Chairman, and Members of the Committee, for providing this opportunity to discuss small business creation, ownership and, most important, success.

I am particularly appreciative of the opportunity to be here as I am the volunteer Chair of the Board of Trustees of My Own Business, Inc., a Los Angeles-based nonprofit organization providing free educational tools and training via the World Wide Web to support successful businesses worldwide. Our web-based program is licensed by CISCO for its training programs of small businesses around the globe, as well as by the World Bank in its Small and Medium Enterprise (SME) outreach worldwide. Given the years of experience we have in creating a strong educational toolkit, we would like the Small Business Administration to also appropriately apply our educational program to its support of America's entrepreneurs. We have previously supported their initiatives in this regard.

As you well know, much of the success of our country comes from the fortitude of new business creation, often started by those who seek to create new opportunity for their families. And, it is particularly pursued as an option for those who have faced job loss in recessions such as the one we have experienced. For my organization, we believe it is important that those who strive to create a new business and contribute to the growth of our economy should be successful. We seek to provide a solid foundation and valuable tools to ensure their success, and to help them avoid the most common mistakes.

Please allow me to share with you a story about how our organization came to be:

On April 29, 1992, verdicts were rendered in a controversial case involving the 1991 beating of Rodney King. The toll of the riots that followed was devastating: More than 50 people were killed, over 4,000 people were injured, 12,000 were arrested, and \$1 billion worth of property was damaged.

Southern California entrepreneur, Phil Holland, founder of the Yum Yum chain of donut shops in California, watched in dismay at the fires burning and the businesses lost and wondered what he could do to give hope. Having already successfully published **The Entrepreneur's Guide** and **The Moonlight Entrepreneur**, Phil decided he might help by encouraging residents to start their own businesses as a way of rebuilding the neighborhoods and communities most affected by the crisis. He began by teaching a free class in one of the most riot torn areas, Compton, California. For the three years

following the riots, Phil drove to Compton one evening each week to teach his class in how to start your own business. The final session of the class was taught in Spanish and eager small business owners came by the bus load from across Los Angeles to hear Phil Holland's presentation.

Then in 1994, Phil Holland created My Own Business, Inc., (MOBI) a 501 (c)(3) public charity and began to build a website so people everywhere could take advantage of a free curriculum designed to share with them the dos and don'ts of starting their own business. Phil and his Board of Trustee members have recruited educators, entrepreneurs and business executives to develop the curriculum and share their strategies for successfully starting and growing one's own business. Today the website provides two free courses: Starting a Business and Growing a Business. Successful completion of the online curriculum results in valuable information for those wishing to start their own business or grow the business they have already successfully started and a Certificate of Completion issued by My Own Business, Inc.

The free website courses include quizzes on all subjects contained in the curriculum, business plan templates, 75 video presentations by business experts, a final examination and the Certificate of Completion to those scoring 80% and above on the final examination. MOBI's Growing a Business course includes practical training specifically focusing on fifteen topics necessary for expanding a business, including how

to prepare for growth and how to maximize skills in evaluation of growth opportunities. Students taking the Starting a Business course may purchase an accompanying textbook for \$39.50 but it is not required for completion of either course offered on the website.

For the past twenty years MOBI has offered this free business training to nearly 35 million people who have visited the MOBI website. Since the launch of the web based MOBI curriculum, 469,000 have completed the courses and nearly 31,000 have applied for Certificates of Completion. The MOBI website is viewed monthly by an average of 235,000, resulting in 4,000 students completing the MOBI courses each month.

In a 2010 study involving 5,000 MOBI graduates conducted by the U.C.L.A. Anderson Graduate School of Business, 22 percent of the respondents indicated their businesses would have failed if they had not studied the topics offered in the MOBI curriculum. Of the 5,000 MOBI graduates responding to the survey, 56 percent have actually started a business, and 77 percent of those who started a company were still in business. Nearly 60 percent of the respondents reported that they had been in business for more than two years and nearly one-third reported that they planned to hire at least one new employee within the next twelve months.

Three important partnerships have strengthened MOBI's outreach since its founding in 1994. First, for more than ten years MOBI has provided its courses to the World Bank. The second important partnership continues with Cisco Systems, Inc., which primarily has used the program in its internationally-focused Cisco Entrepreneur Institute. The third partnership that MOBI engaged in was with the Small Business Administration. For a number of years until 2006, a link to the MOBI Starting a Business course was provided on the SBA website.

Behind the scenes, we are continually updating our site to ensure that the MOBI curriculum is up to date, that the technology used to deliver that curriculum is state of the art, and that the website will be easily accessible to as many as possible. The MOBI website will be re-launched before the end of this calendar year. A sample of the new website can be seen at MOBI's Spanish website, www.myownbusienss.org/espanol.

It has been my pleasure to have had this opportunity to share the extraordinary service and contributions of Phil Holland, an American entrepreneur who sought to significantly give back by helping others achieve similar success...and all free of charge. We hope My Own Business, Inc. will continue to be a valuable tool in ensuring the success of America's small business and of those in economies interacting with the United States around the world.

Thank you very much.

My Own Business Organizational Background:

Today Phil Holland continues to serve as the Chief Executive Officer of MOBI, reporting directly to the Board of Trustees. The Board consists of 13 independent Board members including business executives, practicing professionals, small business owners and educators. MOBI, as a not for profit organization, is funded by gifts and licensing agreements. Mr. Holland and his wife Peggy give significant amounts each year to fund MOBI and they have included MOBI in their estate plans to provide an endowment to help fund My Own Business, Inc. in perpetuity. MOBI's current annual operating budget is \$325,000, \$260,000 of which comes from contributions, \$50,000 from licensing agreements and \$15,000 from the sale of the non-required supplemental textbooks.