

Testimony of Mr. Ara Bagdasarian
Co-Founder & CEO Omnilert, LLC
Co-Author "The Lemonade Stand" Book
"Community Support: Entrepreneurial Development and Beyond."
Before The Committee on Small Business
Subcommittee on Investigations, Oversight, and Regulations

I would like to begin by thanking the Congressional Small Business Committee for inviting me to testify today, on behalf of America's Small Business Development Centers, to share a few of my thoughts on the impact of community support for entrepreneurial development on local communities and economies. As a serial entrepreneur who founded his first enterprise before the age of 10, a neighborhood lawn and gardening service called "KidCo," I believe that the opportunities for small businesses to innovate on a local, national - even *global* scale - have never been better than they are today. I say this not just because I'm an unyielding optimist - to be sure, there are challenges to be faced and overcome - but because I cannot think of a time in the whole of human history when such a wealth of resources and technologies were so readily available to anyone with a will and that most precious resource of all: an *idea*.

I am the co-founder and Chief Executive Officer of Omnilert, LLC, the world's first emergency notification system for college and university campuses; though our customer base has since expanded to include private enterprise, government, and nonprofits from all across the country; As a company founder, I have developed a keen appreciation for the obstacles and challenges one must endure when embarking upon such a venture.

In fact, a few years back, I took it to task to distill my experiences into a book, titled “The Lemonade Stand,” which I co-authored. “The Lemonade Stand” is, simply put, the why-to book on entrepreneurship; A memoir. Based my own, real-world experience, revelations, successes, and, of course, *failures*.

I have also served as the Chairman for the Town of Leesburg, Virginia’s, Economic Development Commission; a post that I held for 7 years. And I am on numerous local and regional advisory boards, whose purpose are to advocate for entrepreneurship. It is from this vantage point that I have seen the positive returns that result when a community invests in and supports entrepreneurial development.

That’s why I was stumped when, 10 years ago, I was asked, for a Town of Leesburg marketing campaign, why the town would be a good destination for entrepreneurs. I’m embarrassed to admit that I could not think of a single reason other than the fact that our town was a “quaint, idyllic community”. We had all the standard small business resources - SBDC, SCORE, and a Chamber of Commerce -, however, we did not have a *community* that was systematically supportive of local *entrepreneurism*.

This realization led to a concerted effort on my part, and that of many others, to start building the infrastructure for an entrepreneurship ecosystem: A shared effort between community partners - both private and public - that was assembled program by program. The fruits of this effort, I believe, have yielded a model that can be replicated in large and small communities across America.

It is through this model - and others like it - that communities suffering from high unemployment or the uprooting of key industry can plant the seeds of entrepreneurship and cultivate the growth of new businesses - through proper education and a supportive, local infrastructure.

Much like civic infrastructure - such as highways or the power grid - communities can build and develop infrastructure to harness great ideas that solve problems to power the economy. We have taken significant steps in Loudoun County Virginia to build this ecosystem. The three pillars of this infrastructure are: entrepreneurship education, resources, and community. Here are some of the key programs developed as part of our plan - though it is, by no means, a comprehensive list:

I. Entrepreneurship Education

The foundation for developing a community support system for entrepreneurship is education. The objective is to develop the entrepreneur mindset or perspective. This means viewing problems as opportunities, knowing how to develop an idea into something tangible, learning how to fail and how to learn from failure to build a world view that embraces challenges. A few of the programs implemented in Loudoun County to support Entrepreneurship Education include:

- **School Curricula (Lemon Lessons, IncubatorEdu)** - In 2011 we introduced one of the country's first Entrepreneurship Education curricula to several high school business programs. The [Lemon Lessons](#) curriculum, based on the why-to book on entrepreneurship that I co-authored ("The Lemonade Stand") supplemented the overall business and marketing curricula. Today, there are a

number of Entrepreneurship Education curricula designed for high schools and higher education is offering major studies in entrepreneurship. They encompass hands-on skill development including speaking, listening, and writing while developing critical thinking skills and analysis. I recently had the privilege of teaching an entrepreneurship course at Shenandoah University which also has a Loudoun campus.

- **Step Up Loudoun/Loudoun Youth** - As entrepreneurship is based on problems in need of a solution, this program started in 2013 by Loudoun Youth Inc., challenges high school students to identify an issue and create a plan to address the issue, and most importantly, implement the plan. Students learn the lifecycle of developing ideas into real products or programs and are supported by business leaders during the process. [Link to Program](#)
- **Young Entrepreneurs Academy** - A program initiated through the Loudoun Chamber of Commerce and Small Business Development Center was in 2016 to provide a 7-month extracurricular program that teaches middle and high school students the fundamentals of entrepreneurship. In addition to learning the core principles, students work on their own startup business or program. Students are then paired with an experienced entrepreneur to mentor for several months to develop their new venture and prepare for a pitch event. [Link to Program](#)
- **Academies of Loudoun** - To further fortify the educational foundation for entrepreneurship, in fall 2018 a new magnet high school which focuses on

Science, Technology, Engineering, and Math with a pathway in Entrepreneurship is opening. Again, the key is to teach the entrepreneur mindset and creating tangible solutions from challenges. Opportunities to innovate surface when entrepreneurship is overlaid with Science, Technology, Engineering, and Math.

[Link to Program](#)

II. Support Programs

A network of systems and programs to support the planning, creation, launch, and operations of a new venture. In Loudoun we have a number of programs that help entrepreneurs take new businesses to market:

- **Small Business Development Center** - The Loudoun SBDC has been the primary source of support for small business since 1988. The SBDC provides counseling on the mechanics of starting and launching a business. Frequent seminars provide an additional educational resource for individuals interested in learning what is required to start a business, fundamentals of small business marketing, sales, accounting, and operations. The SBDC manages a network of experienced entrepreneurs and professionals who advise clients at no cost. One-on-one advising has proven to be an invaluable tool for countless entrepreneurs I have encountered. Over the years, I have utilized the counseling services to help vet new ideas, structure partnerships, and various other operational assistance. [Link to Program](#)

- **George Mason University Enterprise Center (MEC)** - In 2011, this small business incubator was established through a partnership between the Town of Leesburg, Loudoun County, and George Mason University. The facility and programs are operated by George Mason University acts as a “one stop shop” for many of the county’s entrepreneurship programs. In addition to providing shared office space to 46 startup members, meeting rooms, and training space, the MEC is the home of the Loudoun Small Business Development Center, SCORE, and Town of Leesburg Department of Economic Development. This unique destination frequently inspires collaboration with it’s entrepreneur members, and I have frequently jumped into a whiteboard session to brainstorm ideas with other incubator members. [Link to Program](#)
- **Loudoun Lemonhead Council** - in 2012 a group of seasoned entrepreneurs formed an organization to share their experiences by acting as a sounding board for emerging entrepreneurs. At meetings, presenting entrepreneurs pitch their new venture, share their challenges, and discuss opportunities. Connections are frequently made into professional networks, plus ongoing support and mentorship continues following the session. Also, “Lemonhead” entrepreneurs are invited to share their story as guest speakers in high school classes. As an member, I frequently meet and advise a number of entrepreneurs who have presented at Council meetings. [Link to Program](#)
- **SCORE** - In 2013, this program which provides experienced mentors to advise entrepreneurs opened a Loudoun Chapter to serve our growing community. This

group of vetted advisors share their experience with specific domains. I utilized SCORE to help with the legal structure of an early venture, and continue to use SCORE advisors for various perspectives. [Link to Program](#)

- **1 Million Cups (1MC)** - A program started by the Kauffman Foundation where entrepreneurs pitch their idea to an open group of entrepreneurs was introduced to our community in 2013. This facilitates open discussion, insight, and feedback to help develop new business ventures. 1MC meets weekly at the George Mason Enterprise Center. This brings the entrepreneurship community together to foster a dynamic of collaboration and collective support. In many cases, startups present to the Lemonhead Council for a deeper dive after they present at 1MC. [Link to Program](#)
- **Economic Development (County and Local)** - As a testament to our community's support of entrepreneurial development, In April 2015 Loudoun County's Department of Economic Development hired a dedicated Small Business and Entrepreneurship Manager. This Manager serves as a central point of contact for entrepreneurs, connects them with resources, and creates synergies between entrepreneurial partners. Both Loudoun County and Town of Leesburg advocate for and are key partners in building community support for entrepreneurial development. [Link to Program](#)

III. Community

Finally, fostering a collaborative community of entrepreneurs, investors, mentors, educators, and community leaders to live and thrive within this ecosystem must be a very deliberate effort.

Community is developed by *proactively* creating opportunities to connect; and discovering synergies with one another through events, engagements, and other programs designed exclusively for founders and supporters.

In Loudoun, we started 5 years ago with a monthly founders-only networking event, and now have a number of MeetUp groups, guest speakers, happy hours, and pitch events. This helps cross-pollinate relationships between complimentary startups and entrepreneurs. Unlike typical business networking events, 'entrepreneur networking events' do not encourage the participation of those soliciting professional services. They tend to be more collaborative and *supportive* in nature. Often new innovations emerge through collaborations and partnerships.

After 7 years of development, we have a growing entrepreneurial community functioning within an ecosystem supported by a solid infrastructure.

Conclusion

I believe that building the infrastructure to support the development of entrepreneurship is well within the means of every community in America - be it large or small. But the decision to go boldly forward is too often hindered by a fear of change; or a desire to hang on to the industries and ways of the past.

Ironically, it was by embracing change that the great American industries of the past - and present - even came to exist. But in a world where the only constant is change itself, I believe that Congress has the purview and responsibility to provide the incentives and support that will help American entrepreneurs continue to lead the world in innovation and industry. That is why I believe it should advocate for the building of infrastructure for entrepreneurship through championing entrepreneurship education, support programs, and community engagement.

Once this framework is built, an entrepreneurial ecosystem will develop and flourish incrementally. But this must be a deliberate undertaking, requiring the participation of current entrepreneurs, businesses, communities and education leaders; as well as public sector cooperation, advocacy, and resources.

Of course, what works in Leesburg may not work in Oxford, Mississippi or Charlotte, NC. Every community has its own unique strengths and assets. But the ideas I've been grateful to present to you here today amount to a blueprint, of sorts, for communities to empower its most resourceful and motivated to be a catalyst for positive economic and community change. There are thousands of communities around the country filled with smart, passionate individuals with brilliant ideas. All that is needed is the blueprint.