

COMMON THREADS...UNCOMMON SUCCESS

Kathi Ann Brown

"The Entrepreneurial Spirit: Take the obvious, add a cupful of brains, a generous pinch of imagination, a bucketful of courage and daring, stir well and bring to a boil."

(Bernard Baruch, financier, 1870-1965)

Not long after accepting The Entrepreneurs Club's invitation to write *Wired to Win*, I interviewed cable industry scion John Malone. I was barely acquainted with the Club members and was eager to secure insights from people who knew them well. After chatting a bit about each member of the Club, I asked Malone what he thought the members all had in common.

He laughed. "These guys are as different as they could possibly be, personality-wise, from one another," he told me. "You're going to have a difficult time trying to define entrepreneurship based on their personalities. It would be hard to find a common thread other than the cable business itself."

A little daunted by Malone's assessment—but no less determined—I did my best over the course of the next three years to find "common threads" among the Club members—threads that went beyond their cable connection.

I soon discovered that TCI's former chief was right on the money when he warned me about the Club's diverse personalities. Apt descriptives cover the map: shy, friendly, reserved, down-to-

earth, curious, disengaged, impetuous, temperamental, cheerful, skeptical, funny, serious, sensitive, egotistical, self-deprecating, witty, bossy, loquacious, articulate, tongue-tied... The list goes on and on.

Even the fact that all of the men—and the members are *all* men—accepted invitations to join The Entrepreneurs Club isn't necessarily a sign of a common mind-set. Bill Bresnan, for example, is by nature a joiner. Membership in a cable industry organization is as natural for him as breathing. His lengthy tenure on the board of NCTA alone spanned decades. By contrast, Leonard Tow's membership in The Entrepreneurs Club is an exception to an otherwise go-it-alone philosophy. Tow, who ran one of the largest MSOs in the country before selling in 1999, made a point of *never* signing on with NCTA, in spite of being lobbied at least once a year by none other than . . . Bill Bresnan. Other members have still other reasons for having joined the Club fold.

As I became better acquainted with the Club members, I realized that the sheer variety of their personalities supplied me with my first "thread": The Entrepreneurs Club is one bunch of *independent guys*.

"These men are cowboy entrepreneurs for the most part," says attorney Len Baxt, who has represented many Club members over the years. "That crowd doesn't march, let alone march *together*."

Baxt's point is well-taken. Although several Club members worked for other people early in their careers, every one of them sooner or later opted to work for himself. Being the boss, calling the shots, taking the risks—and reaping the rewards—ultimately held more allure than the relative safety of playing sidekick to someone else.

Steve Simmons and Leonard Tow, for example, could easily have opted for life on the tenure track. Instead, they each started cable companies from scratch. In Simmons's case, twice. Barry Babcock, Gus Hauser, Glenn Jones, Gerry Lenfest and Marty Pompadur might have settled into comfortable berths as well-paid corporate attorneys. Larry Flinn could have stayed with the white shoe crowd on Wall Street. Steve Myers might have continued a successful career in the tried-and-true field of real estate, instead of putting everything he had into cable. In every case, each man was willing to trade away 9-to-5 security for freedom to run the show, on his terms.

"The Club members are very confident of their view of the world," says Decker Anstrom, former head of NCTA. "Very willing to resist consensus. I think that comes with being an entrepreneur. I mean, if you were just going to follow the consensus, who would ever mortgage his Volkswagen for a cable system, as Glenn Jones did? It just comes with the territory."

Something else that comes with the territory is a **willingness to take risks**. Naturally, not every Club member shares the same pain threshold for taking chances. Some study things to a fare-thee-well before making the leap. Others can decide in five minutes—based on a sketchy business plan and a gut feeling—to spend millions. And not all the risks pay off. Some even remain sore points years later. But whether studious or impulsive, or something in between, all the Club members are far more willing than the average person to take a chance.

"Most Americans—probably 95 percent—are not risk-takers," says Brian Lamb, chairman of C-SPAN. "They go out, get a job, punch the clock. Not these guys. Even when they're risking OPM—other people's money—they're still risking their own reputations."

"Smarts" of one kind or another is another shared trait. The level of formal education is irrelevant: The Club runs the gamut from high school drop-out to Ph.D. Some members possess what are called "book smarts"; others, "street smarts";

still others are financial wizards whose mastery of the art of the deal . . . or limited partnership . . . or junk bonds . . . or what-have-you . . . has inspired outright or grudging admiration among peers. Whatever their educational background, these fellows aren't slow on the uptake; their ability to absorb and digest information is prodigious.

Yet another trait is a **complete and utter inability to do . . . nothing**. Dawdling is inconceivable; repose—anathema. In each of the half dozen Club meetings I attended, I had the distinct sensation that I was watching an anthill on the march, a herd of antelopes on the fly. Not because the members stir restlessly in their chairs. Many, in fact, display an outward calm that no doubt has served them well at the negotiating table. It's the nonstop whirl of activity inside their heads that is almost palpable to the quiet observer.

Many Club members “retired” from the cable game in the late 1990s, including several who opted to jump out when Paul Allen jumped in. The financial rewards for exiting were off the charts for a number of Club members. But the luxury of great wealth hasn't automatically translated into a taste for leisure. Three Club members, in fact, are very much *back* in the cable game: Bresnan and Simmons with new companies; Hindery, at the YES Network. Some never left: Dolan, Drendel, Myers, Roberts, and Willner. Others moved into business ventures in other fields: Among them, Jones, Myers, and Tow. Some have moved into public service, including Marcus, Nathanson and Simmons. Still others are putting much of their energy into philanthropy, the best-known being DeSorrento, Hauser and Lenfest. And almost all—especially the supposedly “retired” ones—are having fun doling out venture capital to the next generation of entrepreneurs.

“We're all busy,” says Alan Gerry. “You would think that the bill collector is pounding at the door because we go to work every day. It's just part of who we are.”

Competitiveness is another common thread among Club members—one that would appear to be self-evident. After all, the concepts of “entrepreneur” and “competitive” seem to go together as naturally as “coaxial” and “cable.” But as several outside observers of the Club eagerly pointed out to me, the cable industry has by and large been a monopoly business. Except during the “franchising wars,” the industry's members have generally had more reason to be collegial than competitive with one another.

No matter. The Club members' competitive natures have simply found other outlets. For some, satisfaction is to be found in fighting the industry's (seemingly perennial) battles against the telephone companies, satellite industry, regulators and anyone else who wants to give cable a tough time. For others, the “competition” is both self-imposed and self-directed. How many jelly beans can I put in the jar? Can I beat this quarter's projections? Even the lifelong golfers in the group continue to obsess about lowering their handicaps . . . just . . . one . . . more . . . point.

Club members are also skilled negotiators. This comes as no surprise. After all, you can't stay

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in the game—or get out at a gratifying price—unless you know how and when to make your move. Negotiating styles, naturally, vary as much as the personalities do. Some, like Leonard Tow, can walk to the elevator—and away from a deal—without so much as a glance over the shoulder. Others, like Steve Simmons, wear down the other party with a thousand details and questions. Leo Hindery leaves his partners and competitors equally breathless as he merrily multi-tasks his way through multiple transactions simultaneously. Bill Bresnan, Barry Babcock, and Fred Nichols, among others, excel in hammering out deals that leave everyone feeling like winners . . . even if nobody got everything he wanted.

The next trait-in-common—a passion for promotion—has an ironic twist. When I was hired to write *Wired to Win*, I assumed that such a successful bunch of entrepreneurs would be pounding down my door the very next day, each jockeying to be first in line to have his story immortalized. After all, *they* had hired *me* to write about them. I was wrong. More than half were downright reluctant to participate at all, for fear that the effort would appear to be self-serving. Fortunately for me, not everyone in The Entrepreneurs Club was discomfited by the notion of being written about or I would have been out of a job before I started.

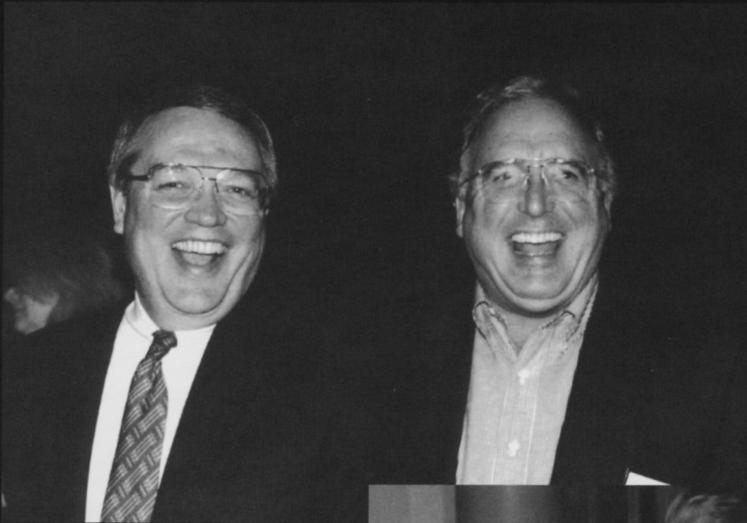
A few Club members are, in fact, gifted self-promoters. I confess I found their lack of modesty both diverting and endearing. Their enthusiasm for their subject also prompted me to think about what—if anything—fires up *other* members of the Club. I soon discovered that each member—self-promoter or not—has had at least *one* thing for which he has been willing to beat the drum with true passion. For some, it's an idea. Bob Rosencrans and C-SPAN come to mind. Gus Hauser and QUBE. Glenn Jones and distance learning. For others, the siren call is marketing . . . deal-making . . . industry issues . . . new technology. And for every member, of course, a particular point of pride is his “baby”—the company he founded.

All of the Club members also have an **ability to see a bit further down the road** than the average Joe. Granted, some members see *just* far enough ahead to have played their cards right when others bailed or were pushed out of the business. But other Club members are renowned for their vision of the future. One of the Club's most low-key members—Chuck Dolan—is an obvious example. Every time Dolan goes off in a direction that prompts people to forecast that *this* time “Chuck has truly lost his mind,” those same people are hustling to catch up with him a few weeks or months later.

“Most members of the Club think they have tomorrow's newspaper in hand today,” says Bern Gallagher, who has worked for several Club members over the years. “That includes Chuck Dolan. Ralph Roberts. Alan Gerry. Glenn Jones. They treat their insights and their intuition as real information. And if they have to buck conventional thinking to get to the future, they will. Their vision is that clear and that strong. And their personalities are so self-assured, they'll go ahead and do it.”

Finally, every member of the Club has enjoyed a healthy dose of good old-fashioned **luck**.

“Everybody in the cable business, including myself, was very fortunate to be in an industry that jumped the way it did,” says Burt Harris, an industry pioneer and a mentor to several Club members. “Before there were satellites, the cable industry looked like nothing more than an antenna service to small communities. But then along came the satellite. HBO went up on it in 1975 and—well—I always say you have to be standing in the rain to get struck by lightning. We were all there!”



Entrepreneurs Club
members Leo Hindery
and Frank Drendel

Club members
Bob Rosencrans
and Alan Gerry
with cable industry
pioneer Burt Harris

