



Chapter 1

The 21st Century of Small, Local and Ecopreneurial

You Need a Thneed

I meant no harm. I most truly did not.
But I had to grow bigger. So bigger I got.
I biggered my factory. I biggered my roads.
I biggered my wagons. I biggered the loads
Of the Thneeds I shipped out. I was shipping them forth
To the South! To the East! To the West! To the North!
I went right on biggering...selling more Thneeds.
And I biggered my money, which everyone needs.

— Dr. Seuss, *The Lorax*

COMMERCE HAS BEEN AROUND since humans first traded goats for corn. Farmers and tradespeople, our yeoman entrepreneurs, grew and produced foods or provided needed services in communities while earning a living selling to neighbors. Practically all businesses were small, family-scaled enterprises that provided a livelihood while being based on natural resources and in the communities they served. Agrarian economies first transformed human relationships with the land, allowing us to stay put, plant seeds, harvest the bounty and build communities, rather than roaming the countryside hunting and gathering. While money may have been exchanged, so, too, were bartered items, gifts and services, usually based on natural resources.

The invention of the steam engine — enabling one machine to do the work of 500 horses, what we now refer to as “500 horsepower” — transformed our ability to produce things at incredible speeds. Industrialization boomed, creating wealth by transforming natural and human capital into products or services, often with little consideration as to the ethical, ecological or social consequences. What made

this miracle of production possible? Coal. Burning it covered the most industrious communities with a cloud of pollution.

This age of industrialization could turn everything and everyone into a factory for production. Economies of scale guided the quest for profit maximization by increasingly large corporations that ignored the impacts of their businesses on the world around them. All but a few keen observers of the natural world failed to recognize the invaluable and necessary “free” services nature provided to sustain itself and humanity. Instead, our planet served as both a supermarket of materials and labor and a receptacle for waste.

Business Economics

From this period of rapid industrialization emerged the global economy during the 20th century, based on access to relatively inexpensive sources for energy, especially oil and gas, to move products around the world or burn for heat. Placed-based companies morphed into huge multinational corporations, with operations spread throughout the world to produce products as cheaply as possible, exploiting labor and natural resources. By the end of the 1900s, governmental policies and subsidies rewarding super-sized farms or enterprises allowed these companies to prosper at the expense of American taxpayers. By the end of the century, some corporations thrived on owning almost no tangible assets at all, outsourcing their manufacturing to Asian companies. Their “value” is reflected in the intangible assets of brand, reputation, patents, management and goodwill. Thanks to outsourcing and subcontracting, one global shoe company owns less than ten percent of all its tangible assets, yet reaps most of the profits. As discussed by Andrew Savitz and Karl Weber in *The Triple Bottom Line*, for an average Fortune 500 company, as much as 75 percent of their assets are intangible.

The increasingly industrialized global market economy found a perfect developmental dance partner during the 20th century: cheap oil. Based on the widely heralded triumph of the market economy over the planned economy after the collapse of Soviet-style communism, industrialism accelerated, rooting itself in far off “undeveloped” countries where labor, land and resources were cheap or with few or limited ecological or social legal entanglements that might make doing business more costly. Milton Friedman, an economist from the University of Chicago, earned widespread acclaim for his ability to set the record straight on the purpose of business: the only social responsibility for business is to engage in activities to increase profits or maximize shareholder value.

The prosperity that ensued, however, is increasingly recognized as illusory, resulting in the formidable challenges of possible ecological collapse, global warming and social decline with a growing number of super rich and an expanding number of entrapped poor. About two billion of the planet’s inhabitants eke

out an existence on less than \$2 per day, often making the products we wear, eat or use; the late Milton Friedman was never one of them.

An active propaganda machinery controlled by the world's largest corporations constantly reassures us that consumerism is the path to happiness, governmental restraint of market excess is the cause of our distress, and economic globalization is both a historical inevitability and a boon to the human species.

— David Korten, *When Corporations Rule the World*

As a nation, we're suffering from Free Market Economy Dementia — a state of suspended belief in free market capitalism despite the existence of an alternative reality of ecological destruction, concentration of financial wealth in fewer hands and diminished happiness, community life and family cohesiveness. And it's spreading like cancer to China and India. How can the free market capitalist system that allows 5 percent of the planet's citizens (living in the United States) to use 25 percent of the planet's resources and produce 40 percent of the planet's waste and pollution be considered a successful economic model? The belief that the free market is self-regulating couldn't be further from the truth. The World Trade Organization and various international trade agreements, such as the North American Free Trade Agreement (NAFTA), seek to transform the Earth into one big shopping mall. The present "free market" is neither free nor rational. Our first view of the Earth from space should have revolutionized our perspective for caring for what is a very finite life support system. It didn't.

The market works to the benefit of the whole of society when it includes all costs and benefits. Only when the market accurately reflects the replacement costs of a resource (a virgin forest or salmon or Arctic oil) and the social costs of its consumption (tobacco being the most obvious) will society begin to respond to the market in a rational way.

— Paul Hawken, *The Ecology of Commerce:
A Declaration of Sustainability*

Corporation as "Person"

The construct of the corporation is not new. Most of the wealthy merchants and investor class of the colonial period formed corporations to deflect risk and shield their investments in the ships they dispatched to the New World, to exploit the riches — or minimize their losses if a ship was lost at sea. If the

ship sunk, only their investment in it perished, not all of their assets. If the ship returned with gold and silver, the corporation would disburse it generously — only among the shareholders. By the late 1880s, corporations in the US were conveyed legal rights and protection of a “person” independent of shareholders and workers. Now what happens in the corporation stays in the corporation.

Despite the rise in large corporations and their interconnections with government and public policy, small private enterprises have prospered in humble ways, providing a livelihood to its owners and sustaining their local communities. While some large corporations were successful in gobbling up some small businesses or running them out of Main Street communities, many have steadfastly held their ground, reinventing commerce in ways big business could never compete, own or acquire. Small is emerging as the new big as more people become aware of the global and local challenges now facing us. They launch enterprising ventures that reflect the emerging role of business as the catalyst for change. We’re redefining free enterprise to mean that every person can be enterprising, not just large multinational corporations that stake claim to freely move anywhere to do business any way they so desire. As this book proposes in chapters 6 and 7, small business owners can work smarter as incorporated or limited liability companies to improve their bottom line while achieving their social and environmental priorities in a reimagined living economy with conserving customers, not consumers.

Serving Conserving Customers, Not Consumers

With awareness building about our far-reaching and global impacts, we’re changing how we live, work and play — becoming conservers, not consumers. Instead of borrowing from the future or burning through resources, reducing the possibilities for future generations, ecopreneurs are seeking to thrive in a restorative economy that’s life giving, leaving the world a better place. It’s a change in consciousness not merely a change in shopping habits. Ecopreneurial businesses, by how they operate and what products or services they offer, foster this conserver behavior. Ironically, many so-called conservatives are more concerned about conserving their present way of life and the status quo, refusing to pay attention to the changing world around them.

At our small-scale Inn Serendipity, created from a four-square farmhouse on five and half acres, our guests can relax, savor a local breakfast with most of the organic ingredients harvested from a hundred feet from our back door and drive away knowing that their carbon dioxide emissions were carbon off-set through our

Small Is Big

According to Paul Hawken, author of *The Ecology of Commerce*, the visionary business book that helped transform how many think about the role of business in relationship to the environment, the 21st century is the century for the small business. In *The Ecology of Commerce*, Hawken argues that companies of the future will exist for the purpose of restoring society, rather than in various ways divorced from or at the expense of society. These companies are repairing ecosystems, improving health and well-being, providing meaningful work, rebuilding communities and protecting the environment. Ecopreneurs thrive in what's been called the "honey bee economy" by living off solar income. Honey bees help flowers in their community when they make their honey by pollinating them. Both plants and bees prosper during the transaction. Sunlight — falling on Earth with infinite supply — supplies the economy with plentiful energy.

The movers and shakers on our planet aren't the billionaires and the generals — they are the incredible number of people around the world filled with love for neighbor and for the earth who are resisting, remaking, restoring, renewing, revitalizing.

— Bill McKibben

The increasingly small companies are steadfastly creating a web of mostly place-based prosperity, yielding greater peace and security for all. Re-energized

participation in the non-profit Trees for the Future Trees for Travel program. The revenues we generate from our business enterprises, besides meeting any financial obligations, are devoted to the good work of improving soil quality, producing more renewable energy than we use and contributing in various ways to helping others who wish to launch their own enterprise or live in a more sustainable way. Our profits fund our purpose, rather than the purpose of our business being solely to make profits.



JOHN IVANKO

10 kW Bergey wind turbine at Inn Serendipity, allowing the business to be a net producer of electricity.

enterprising business owners help democratize and decentralize commerce by bringing it back to serving the community in which it roosts. Some of these small businesses aspire to grow better, not bigger.

At Inn Serendipity, we strive to be the best related to our social and ecological priorities in terms of our modest two-room bed and breakfast. Because of our size, we've discovered we can be more focused, flexible, adaptable, innovative and friendly (campfires and breakfast conversations often last for hours). Plus we have more fun. As we've discovered through the hundreds of interviews and conversations with entrepreneurs who are trying to do "the right thing," the larger many businesses grow, the more challenging it is to operate in ways that achieve social and ecological goals.

This is not to say that all businesses will stay small; there remain some business models that unavoidably demand largesse to accommodate the complexity or scope of the task at hand, like assembling hybrid cars or manufacturing solar cells. But fewer Americans are working in these industries, and even fewer are likely to in the future, thanks to the expanding role technology plays in these industries.

Of the nearly 26 million business firms in the US, about 97 percent have fewer than 20 employees according to the US Small Business Administration. These small businesses account for about half of the non-farm Domestic National Product, or GDP, and generated 60 to 80 percent of the net new jobs

Starting and Staying Small

Recognizing a competitive advantage, many small businesses essay to remain small. Sometimes called personal entrepreneurs or lifestyle entrepreneurs, these owners carefully manage their enterprise to achieve optimal efficiencies in whatever niche market they serve. Many organizations lend support, including the following:

- National Federation for Independent Business (NFIB)
Conducting research and conducting advocacy on behalf of small business, the membership-based NFIB promotes and protects the right of their members to own, operate and grow their businesses and includes numerous tools and tips. www.nfib.org
- SOHO America
Helping owners working in the small office/home office environment, this membership-based organization covers marketing, finance, legal, start-up and technology issues. www.soho.org
- Kauffman eVenturing
Created by the non-profit Ewing Marion Kauffman Foundation, this website provides

over the past decade. While big businesses fired, laid off, downsized and out-sourced jobs, in part, to squeeze more profits for shareholders, small businesses added employment.

Entrepreneurial trends are difficult to track. The US Small Business Administration estimates that there are about 4.5 million small businesses with 9 or fewer employees. About three-quarters of all business firms have no employee payroll at all because they're set up as self-employed persons operating unincorporated businesses. According to the Association for Enterprise Opportunity (microenterpriseworks.org), there are more than 23 million microenterprises (a business with five or fewer employees) in the US, representing 18 percent of all private employment and 87 percent of all businesses. Like us, you might be among the 15 million full-time or part-time small office/home office entrepreneurs, or SOHOs.

Identified by Dan Pink in *Free Agent Nation*, there are about 33 million free agents in America. These "job-hopping, tech-savvy, fulfillment seeking, self-reliant, independent" workers represent about 16.5 million soloists, 3.5 million temporary workers (temps) and 13 million microbusinesses that include construction contractors, real estate agents, nannies, direct sales ventures (e.g., Shaklee, shaklee.com), services subcontractors and accountants. Operating as a microbusiness, or what Pink refers to as a "nanocorp" with three employees or less, is both a personal preference and competitive advantage, allowing the owners to downsize to

articles, research and tools to assist entrepreneurs with a growth-oriented world-view. www.eventuring.org

- US Business Advisor

Discover the plethora of information from numerous federal agencies that regulate or assist small businesses, including securing grants, start-up guides and legal requirements. www.business.gov

- *Fast Company* magazine

While emphasizing technology, *Fast Company* is a website and blog with resource guides and general information related to small and medium-sized businesses. www.fastcompany.com

- BizStats

Free research and analysis for small businesses, including what the profit margins might be for your potential product or sales per square foot for retail stores; helpful when starting up your operations and determining cash flow and potential sales. www.bizstats.com

provide incredible adaptability, innovation and creativity. Our sub-chapter S Corporation is a nanocorp committed to ecological restoration and social change while turning a modest profit.

According to Mark Hendricks in *Not Just a Living*, as much as 90 percent of the roughly 20 million American small business owners seem to be motivated more by lifestyle than money. His summary of market research completed by Warrillow & Co. suggest three types of small business owners: mountain climbers, entrepreneurs driven by sales and profits; freedom fighters, owners who seek independence and complete control over the who, what, where and when of their work; and craftspeople, businesspeople dedicated to excelling at their chosen craft. Warrillow's research found that the craftspeople represent 60 percent of all entrepreneurs, followed by freedom fighters (30 percent) and mountain climbers (only 10 percent). Besides having less of a focus on money, lifestyle entrepreneurs rarely operate for the benefit of outside investors.

What's a Business?

Affecting every part of our society, a business offers products or services that customers may need, at a price that they're willing to pay and that provide a profit to the owner or shareholders. Commerce has long been the engine of social change, an innovative force in the transformation of who we are, what we care about and what we drive, live in, wear and eat.

A business is governed by the legal requirements set forth both by the federal government and state in which it was formed. Businesses can be organized as either for-profit or non-profit organizations. There are various classifications of businesses based on their size, form or locality. Astonishingly, the Bureau of Labor Statistics still classifies employment in two categories — farm or non-farm — yet fewer than two percent of Americans farm today.

Working Hard for the Money

The main requirement of a for-profit business is to make profits, at least once every three years says the US Internal Revenue Service (IRS). No requirement specifies how much profit must be made, just some. That's the big difference between a hobby, where generating revenue is not the primary goal of the activity, and a business. The non-profit business, formed as a special type of corporation depending on its purpose, uses revenues collected to fund its mission, whether it's saving open space or planting trees around the world to help mitigate the effects of global warming, provide nature-enhancing livelihoods and prevent soil erosion.

As we'll explain throughout this book, we approach our passions — writing, photography, hosting people and desiring to restore the planet — not as hobbies,

but as business enterprises. You can blog on the Internet about growing in your garden, or you can write articles about growing food organically in your garden for *Hobby Farm Home* magazine and blog for GreenOptions.com. One's a hobby; one's a business and provides income from writing about something you love.

There are numerous advantages of operating a business for yourself, in terms of tax savings, control over how natural or human resources are used (or misused)

Company Career versus Ecopreneurial Life

The following contrasts a company career with a life as an ecopreneur.

Company Career

J-O-B

- identity fits on a 2"x3" card
- seniority defines achievement
- job description

Employee

- paycheck (W-2)

Career

- ladder structure

Culture of control

- conformity
- uniformity

Globalization

- planet is market
- everyone is a consumer
- no locus of control, un-rooted

Operate under "principles of sustainability"

- guidelines, principles
- greenwash, deception, secrecy

Reactive

- change when forced to

"Security"

- company will care

Ecopreneurial Life

Right livelihood

- diversity of work opportunities
- ethical work: restores and nourishes the planet
- knowledge worker

Owner - Proprietor

- business revenues

Concepts, relationships

- unstructured, flexible, fluid

Diversity is stability

- in the marketplace, workforce, nature
- agile, reorganizing, adaptive, resilient

Localization and bioregionalism

- locally based, but can serve global customers
- serving conservers, not consumers
- native, place-based, rooted

Practices of sustainability

- practices and actions matter most
- transparency, accountability, walking the talk

Pro-active

- innovative, creative, opportunity-focused
- state of continual voluntary improvement

Self-reliance, independence, interdependence

- community, customers, social networks will care

and the freedom to pursue your passions without your boss looking over your shoulder. If you grow weary of climbing the ladder, own it. If you don't like the kind of companies that are offering you a job, then make your own in your vision of what it means to tread lightly on the planet.

Ever work for a company and become frustrated or appalled by the waste or inefficiencies you witness on a regular basis and your inability to enact changes to end the waste — even if it also saved the company or organization money at the same time? Ecopreneurs, often by their small, human or family-scaled operations, take the reins and seize control in ways larger organizations fail to even recognize. At Inn Serendipity, on an annual basis we reuse, recycle, reclaim and restore more than we dispose of in our two 35 gallon garbage cans. Piles of tile and grout, old furnaces, wood, children's toys, insulation scraps — all destined for landfills — are in productive, if not also quirky, use in our business today. Our strawbale greenhouse is partially built with the waste stream of our community.

Today information, knowledge and innovation are the harbingers of wealth creation in a world increasingly pressing up against environmental, social and resource limitations or issues created by the previous laissez-faire market-driven economic growth. Once the stronghold for guiding positive changes related to the environment or addressing social issues, federal and some state governments have lost their way, effectiveness and courage to take these issues on. Rather than setting forward-thinking policies, politicians are caving in to re-election concerns or the unprecedented influence of special interest groups, many funded by powerful multinational corporations. The present value of money



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Inn Serendipity strawbale greenhouse.

overrides consideration given to issues that face future generations. Increasingly, citizens are ahead of the policy-makers, voting with their dollars and actions (not words).

Many universities and colleges, too, have become bogged down in the same muck of bureaucracy and complacency that few can even tout a campus that's anywhere close to green, powered onsite with renewable energy, or with dorm cafeterias that feature food grown or raised by area farmers. Few teach personal finance, how to buy your first home or, more importantly, help us discover our life purpose or passions. It's mostly about learning what it takes to get a job.

Ecopreneurship

Entrepreneurs are problem-solvers, possessing an ability to see what was there all along then bringing it to market in new ways. These entrepreneurs become ecopreneurs when their spirit, boldness, courage and determination not only transform the landscape but coalesce into a movement to transform global problems into opportunities for restoration and healing.

Ecopreneurs take a penchant for innovation and problem-solving, applying it to meaningful purpose. Ecopreneurs emblazon the greening of Earth, restoring degraded land, cleaning the air, building healthy and safe homes, devising clean, renewable energy sources, offering prevention oriented alternatives to treatment-focused healthcare and helping preserve or restore the ecological and cultural wonders of the planet by changing the way we experience travel, just to name a few.

While many entrepreneurs may be motivated, at least in part, to the mantra of "greed is great" on their journey to becoming a millionaire, growing numbers of ecopreneurs are adopting a different course, focusing on solving the problems facing society through the businesses they create, greening their bottom line. Many are redefining their wealth, as we have, not by the size of their bank account or square footage of their home. Wealth is defined by life's tangibles: health, wellness, meaningful work, vibrant community life and family.

There are many ways in which entrepreneurs and ecopreneurs are similar. Both embrace failure and are idea driven, innovative, creative, risk tolerant, flexible, adaptable, freedom minded and independent. However, ecopreneurs go beyond organic, beyond compliance to laws and regulations (or redefine them), beyond consumerism, beyond minimum wages and beyond the free market economy to conduct business.

Successful ecopreneurs change their perspective about money. Instead of working for money, our money works for our aspirations, dreams and hopes for what we want to see the world become — our Earth Mission. Money is an intangible, a tool for change. We invest in the future, not save for it.

Are You an Ecopreneur?

- Are you more interested in what you do and with whom you work than how much you make?
- Does community, environmental and social issues drive what you focus on with respect to your livelihood or volunteer time?
- Do you view your experiences, growing and diverse knowledge base and unique skill sets as the primary value you can offer clients, customers or workplace?
- Do you think the late Nobel Laureate economist Milton Friedman ate too many Big Macs after he argued — much to the chagrin of the massive multinational corporations and millionaire politicians — that “the only social responsibility of business is to make profits”?
- Do you focus your life pursuits on helping others or restoring, enhancing or preserving the environment?
- Are you more concerned about achieving balance in your life, seeking quality of life that doesn't adversely impact the Earth or exploit people?
- Do you readily try new ideas, explore new ways of doing things or adopt new practices or use new products or services that reflect your values?
- Are you mindfully aware of your direct and indirect impacts on life on Earth, and accept responsibility that results in you being actively engaged as a steward of limited resources for the benefit of all life, not just for the present generations but for future generations as well?
- Is work a reflection of your passions and values, deeply fulfilling and providing meaning and purpose, or merely the focus for paying the bills, building personal wealth and funding your retirement?

Earth Mission

Your Earth Mission is the overarching springboard from which your business, livelihood and life launch forward that respects nature and fosters socially just relationships with all life. Wealth without purpose is poverty. Ecopreneurs create enterprises that are ecologically restorative, socially responsive and just and that measure their success in how they build community wealth in a living economy.

While entrepreneurs make their money work for them through the businesses they create, or assets they accumulate, ecopreneurs use their businesses to implement their Earth Mission. If you're earning a living now, perhaps working for a company or organization, then becoming an ecopreneur will revolutionize how you think about money, your livelihood, your life.

Entrepreneur versus Ecopreneur

The following depicts the many differences between an entrepreneur and ecopreneur.

Entrepreneur

Values Money

- I wanna be rich

Return on Investment (ROI)

- capitalist model, based on scarcity
- depleting natural resources

Free trade

- extractive, exploitation

Externalize environmental social costs

Following regulations

- meet governmental regulations

Stakeholders = stockholders

- financial results driven

Technology will triumph

- technology will save the day

Super-size me

- bigger is better
- ride the Titanic

Ecopreneur

Values Life

- passion, purpose, meaning, fulfillment through work

Return on Environment (ROE)

- nature's model, based on abundance
- enhancing or restoring natural resources

Fair Trade

- cooperative, socially responsible, just

Internalize and imbed costs in business

Setting (voluntary) standards beyond regulations

- recognize responsibility, take action
- innovation opportunities

Stakeholders = everyone and everything

- consider nature, community, future generations

Technology is a tool

- appropriate, individualized, one of many options

Human-scale, micro-size, small-mart

- small is beautiful, less complex, adaptable
- paddle a kayak

Multiple Economies of Ecopreneurship

ECONomics involves operating in more than the free market economy, the one we commonly think about when buying or selling goods or services. Often depending on their scale, many ecopreneurs with smaller operations thrive in the following economies as well.

Barter Economy

Why pay cash (or charge on credit) for something if you don't need to? Exchanging services or time satisfies needs without draining the bank account. Fruits and

vegetables freely flow from our farm; in return, we've received our wooden bed and breakfast sign and clothes for our son, Liam. The barter economy often erupts serendipitously, like when a friend who received some of our vegetables presents Liam with a three-string guitar he made himself. Despite the fact that such informal, community-based bartering has existed for centuries, IRS tax law states that you are required to file a Form 1099-B (i.e., declare as income on which you must pay taxes) if you have more than 100 barter transactions a year. As much as we relish barter, that would be a noble goal to reach.

Household Economy

Self-reliance is underrated, thanks, in part, to companies that advertise solutions to all our problems and needs — for a price. We're surrounded by farms and farmland where we live, yet few residents grow their own food in kitchen gardens. While most Americans can grow at least some food in a container or small plot to offset their food expenses, few realize the sense of empowerment and satisfaction from harvesting their own meals or meeting, as we do, about 70 percent of our food needs 100 feet from our back door. Rather than outsourcing our day-care for our son, we created a work-at-home situation where we could care for him, a means that also optimized our satisfaction as parents.

Collecting and Reuse Economy

America could very well be called the land of opportunity to waste our abundance. From forests filled with wildlife and lakes teeming with fish to piles of discarded tile, bricks and other building materials, reusing, salvaging and, in myriad other ways, transforming someone's trash into treasure provides a cost-effective vector for ecopreneurs to out-compete larger companies while saving money and boosting their bottom line. Working with neighbors, we transform waste fryer oil from area restaurants into biodiesel to use in our backup heating system in the greenhouse. Using freecycle.org, isharestuff.org, and craigslist.org, we pick up things we need and clear out unwanted items, all for free.

Volunteer Economy

From donating time at a homeless shelter to contributing food to a food bank, without the volunteer economy, many non-profits would be out of business, both financially and operationally. While many equate time with money, citizens who freely exchange time or services support what many consider some of the most desirable and prosperous communities, vibrant with civic life with activities and community services. Ecopreneurs can be on the giving and receiving end of mentorships and informal guidance from social and business contacts.

Cooperative Economy

We're members of more than six cooperatively owned businesses, including the nation's largest retail food cooperative, Willy Street Cooperative in Madison, a regional sustainable forestry cooperative, Kickapoo Woods Cooperative, and a community land trust, the Mississippi Valley Conservancy. Common ownership in these mission-driven organizations offer opportunities for us to better steward resources and work together to achieve collective goals, accomplishing more as a group than we could as individuals.

Harvest Economy

Every day, enough sunlight falls on the planet to meet all our energy needs, with some to spare. Instead, most of its citizens burn fossil fuels that end up polluting and destroying the planet. Ecopreneurs search out opportunities in a harvest economy that are often tax free, climate neutral and better for the environment. We harvest so much wind and solar energy that we receive net annual payments from our utility company for our surplus electricity generation. Our electronic "storefront" on the Internet — harvesting page views and with the potential to reach millions of people — costs about as much monthly as a taxi ride in downtown Chicago. It uses a "free network" to grow a business in a way that's almost impossible to do with the corporate-controlled TV or radio air waves.

By operating in these other economies, ecopreneurs short-circuit expenses and boost their bottom lines. The savings flowing from our business are harnessed to work for our Earth Mission.

The Social Sector's Thriving Enterprise

Social Entrepreneur:

Society's change agent: pioneer of innovations that benefit humanity.

— Skoll Foundation

The entrepreneurial spirit increasingly infuses the so-called social or civic sector of the economy. Innovative organizations, many with a grassroots and ecopreneurial spirit, serve needs previously met by governmental and faith-based organizations. Composed of values and mission-driven people working cooperatively to achieve goals that they're unable to accomplish as individuals, these organizations represent an emerging people power pushing for change, filling the gap left by a failing national government guided more by large corporate interests and money interests than the citizens it is meant to serve. The growth of the social sector has led to the creation of focused social entrepreneurship organizations, like Ashoka, devoted to developing the profession of social entrepreneurship. David Bornstein's inspiring

book, *How to Change the World: Social Entrepreneurs and the Power of New Ideas*, puts a face to the movement that many universities are just recently beginning to discover.

Too often, non-profit organizations receive a bad rap, stereotyped as inefficient, solely volunteer-based groups that lose money operationally for the sake of doing good. This is an unfortunate image, as non-profits are simply an alternative form of corporate structure in which, among other requirements, profits generated go back into the organization to support its mission, not into the pockets of owners or shareholders. Further fueled by the ability to accept grant and donation monies, a well-run non-profit organization can be a potential powerhouse for entrepreneurial efforts within the social sector. Non-profits often use contractors and subcontractors to bring outside perspectives to the organization. Practically all of our marketing consulting projects and speaking events have been as contractors for non-profit groups. Foresight Design Initiative, a Chicago-based non-profit, and its founder, Peter Nicholson, serve as inspiring examples of how the non-profit realm can provide an ideal playing field for the ecopreneur.



Foresight Design Initiative

Executive and Creative Director:
Peter Nicholson

Place: Chicago, Illinois

Earth Mission: “My goal is to lead an interesting and fulfilled life; to do work that creates important value and is filled with meaningful relationships. Saving the world isn’t so much a primary objective, but rather an appropriately secondary one.”

www.foresightdesign.org

Figure out what you love to do. Then just do it — under a green umbrella. By focusing on the process, rather than the product, Peter Nicholson serves as ecopreneuring inspiration, founding the premiere non-profit organization serving sustainable education in Chicago, Foresight Design Initiative, based around his passion for design.

“For me, design is manipulating variables for a desired outcome, which in this case is improving our urban quality of life without sacrificing the needs of future generations,” explains Peter. “The variables could be anything from words to graphics to economic influences. I’m fascinated with how we could use design to empower people, to improve human conditions holistically. I’m often dismayed by the abundant examples of how poor design hinders

us.” Today, Peter serves as Executive and Creative Director of Foresight Design Initiative, providing him a palette for sustainable design expression.

Peter’s career roots go back to a foundation in music, essaying initially to be a concert cellist. “When I realized I didn’t have the talent for professional music, I parlayed my music background into arts administration,” explains Peter. Blending music and entrepreneurship,

his first venture included launching a classical orchestra in New York City. "I felt classical music was staid and stuck in the 19th century, losing a whole new potential audience. With this new group, we aimed to blow the lid off same old same old and designed fresh, hip graphics and style for every element."

Enticed by design, Peter enrolled in a design graduate program but left after a year, realizing he had garnered the tools he needed, and took his education into his own hands. A residency in Europe led him to the O2 Challenge in the Netherlands in 1998, a life-changing, dynamic, hands-on working conference on sustainable design that planted the seeds for Foresight Design Initiative. "I realized that sustainability would not evolve without a broader application of design and found, in the challenge of this pursuit, barriers that were both worthwhile and fulfilling to engage," explains Peter. "Sustainable design, however, was an emerging field; I knew I needed to create the conditions to practice this vocation."

In 2001 Peter started what eventually became Foresight Design Initiative, an organization that embraces design principles to develop more sustainable solutions, of many types, and to foster a greater inclusion of these issues into society. "Green should be the mass market norm, not the high-end alternative," Peter states. Strategic in organizational structure, Foresight Design Initiative is the non-profit subsidiary of a for-profit C Corporation, Design for Society. While the same board of directors serves both organizations, the for-profit umbrella structure leaves open the opportunity to include strictly for-profit ventures in the future.

Such innovative thinking fuels Foresight Design Initiative's hybrid strategy. "We looked at other successful non-profit organizations and quickly realized a diversified stream of multiple income sources would keep this venture financially healthy," explains Peter. Today funding comes from events, corporate and individual memberships and donations (including in-kind), foundation support, "fee for service" for various green design consulting and education projects, and tuition for their seminars and Urban Sustainable Design Studio, an intensive experiential education program in sustainable design.

Innovative thinking, blended with responding to feedback and input, launched a menu of diverse Foresight Design Initiative programs. Serving as a portal of the growing Chicago green scene, the organization hosts Green Drinks, informal social and educational gatherings appealing to a broad range of urbanites interested in sustainability issues. Additional educational programs include workshops, panel discussions and tours addressing a wide breadth of local sustainability issues, including municipal recycling and affordable green homes. Foresight Design Initiative also handles various contract projects such as designing an educational pavilion for the City of Chicago for a large green festival that generates income for the organization. Foresight Design Initiative's latest venture, the Chicago Sustainable Business Alliance, serves as a network for enterprises dedicated to sustainability in their products, services and practices. "We constantly survey and listen to attendees at our events to either refine events or launch new ventures entirely," Peter adds.

Lean and green, Peter operates with an additional couple of full-time staff. "We aim to keep our overhead down by using just 350 square feet of office space, being frugal with the

air conditioner and using a car-sharing service when public transportation won't suffice," explains Peter. "We look deceptively small given our handful of staff, but we rely greatly on an extensive, dedicated network of volunteers." Peter readily admits that this volunteer economy built Foresight Design Initiative into the organization it is today. "Our growing volunteer pool reflects the snowballing green movement as more folks want to get involved and connect with others that share the same values."

This diverse web of people related to Foresight Design Initiative remains Peter's ongoing motivation. "I want a life filled with meaningful, inspiring relationships," sums up Peter. "I love the people I work with, staff, volunteers and colleagues. Today I had two impromptu and amazing conversations with different people. That can't be measured in a paycheck. It's priceless."



As government funding and other forms of "soft" grant-based funding continues to wane, innovative non-profits have created for-profit enterprises that generate unrestricted funds for the organization and its programs. These new hybrid organizations are separated for tax purposes, but they're bending the very way many think about non-profit organizations where innovation, creativity and accountability are central to how these organizations operate.

Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the fishing industry.

— Bill Drayton, CEO, chair and founder of Ashoka

There are publishing ventures like the Global Fund for Children Books, which provides a steady revenue stream of royalties from multicultural children's books published in partnership with Charlesbridge Publishers to support the work of the Global Fund for Children (globalfundforchildren.org). Other non-profit organizations are creating enterprises with foundation and governmental grants, then establishing innovative business models to generate self-sustaining revenues for the business, which pass through to the non-profit as the sole stock-holding entity.

The New Bottom Line: Making Things Better

Small businesses, and increasingly green businesses, are already providing viable livelihoods to millions of families in America. You'll find these ecopreneurs selling at farmers' markets, launching non-profit organizations, tinkering with their

Launching a Non-profit Organization

The following non-profit organizations have come about to serve people interested in starting, working in or managing non-profit organizations.

- **The Foundation Center**
This is the leading authority in the US on philanthropy, connecting non-profits and the grant-makers supporting them to tools they can use and information they can trust. The Center maintains a comprehensive database on US grant-makers and their grants. It also operates research, education and training programs designed to advance philanthropy at every level.
www.foundationcenter.org
- **Idealist.org**
This organization connects people, ideas and resources to change the world.
www.idealist.org
- **Skoll Foundation**
The foundation advances systemic change to benefit communities around the world by investing in, connecting and celebrating social entrepreneurs and supporting social entrepreneurs through grants, research and resources.
www.skollfoundation.org

green technology businesses at a community incubator, consulting for non-profit organizations out of a spare bedroom “home office” in their suburban home and operating a bed and breakfast completely powered by renewable energy, like we do.

The global stage has been set for invaluable contributions that ecopreneurs will be making in the coming decades. Restoration and preservation of the very life-support systems on which we depend will be fused with the next generation of environmental and social entrepreneurs who, through their innovative and creative talents, will shine a green light on new ways to work, live and play.

Resetting the scales of commerce, ecopreneurs replace the global consumption craze with new, personal and localized models of business that heal the planet while sustaining our livelihood. In the land of plenty, there’s no reason to complain about lack of forward progress in Washington DC or protest rising gas prices. We have plenty of opportunity to make things better and improve our quality of life, now and for future generations. It’s not what you say but what you do that matters.

In the next chapter, we’ll explore the many ecopreneur opportunities and better define just how big the small business sector is in our economy.