

## INTRODUCTION

America is the land of opportunity. For generations, immigrants from around the world have come to the United States in hope of a better future. Many believed that the streets were paved with gold and riches could be found around every corner. While that did not turn out to be true, many immigrants discovered entrepreneurialism. In the United States anyone can start a business and become successful. You do not need to know important people; you do not already have to be rich. With hard work and a little bit of luck, you can achieve all your goals and get your first pot of gold. That is the ultimate American Dream.

In reality, behind the American Dream is American capitalism. The United States economy is based on capitalism—an economic system in which the exchange of goods, services, and money occur on a completely voluntary basis<sup>3</sup>. This means that people have the ability to choose what they want to buy and sell—a free market. Three key factors drive capitalism: innovation, competition, and opportunity.

- **Innovation.** American entrepreneurs are always looking for something new to sell in the market. The United States encourages innovation by enforcing laws that protect new ideas and products through patents, trademarks, and copyrights.
- **Competition.** Many players in the marketplace keep businesses growing. Competition pushes businesses to continuously create better products at lower costs and higher quality.
- **Opportunity.** In America, everyone is equal and has equal opportunity to enter the market. While the system may not be perfect, it does provide access for even the novice entrepreneur to start a business.

In 2004, there were approximately 24.7 million businesses in the United States and over 95% of them are very small businesses with less than ten employees, according to the Small Business Administration. Entrepreneurs and small businesses are important to the American economy, so many government programs and support networks have been developed to foster the growth of such businesses. As a Chinese immigrant entrepreneur today, you have a great opportunity to succeed in an American business.

Asians are the minority group most likely to own their own businesses and the population is rapidly growing. Many Chinese cultural characteristics offer strong advantages for success in your business. For example, traditions of working hard, delaying material gratification, and sacrificing for the next

generation can help carry your business through tough times. In addition, relying on family networks for inexpensive labor can also add to your bottom line. Finally, common ethnicity helps you develop a network of loyal customers within your own ethnic group.

However, to become successful in the United States, you must overcome many of the notions that you held while living in your home country. You must learn how the American businessman thinks and learn how to compete with him. Anyone can start a business, but to have a successful business takes a lot of hard work, a little bit of luck, and the knowledge to put all the pieces together at the right time. In the United States, over half a million businesses start each year, yet only 44% survive longer than four years<sup>4</sup>. The purpose of this book is to provide you with a tool to help you grow a successful business in the United States that can survive for many years.

This book will teach you how to reduce risks and make decisions about your business so you are better prepared for future challenges. However, this book does not guarantee your business success. It cannot teach you everything—that is absolutely impossible. No book can ever teach you everything. In business, the best way to learn is through experience—working in a small business, managing a small business, and actually launching your own business. In fact, most entrepreneurs fail two times in launching a business before they have a successful one.

So the odds are stacked against you, even before you start your business. But don't let these statistics scare you. Studies show that entrepreneurs who have had training or education in entrepreneurial skills consistently show a much higher success rate, as high as 90%. This book can help you plan for your business and demystify all the American business regulations so that you can be confident as you launch your business. With careful planning and understanding of American business practices, your chances of survival and profitability increase greatly.

People always ask successful entrepreneurs, "What is your secret to success?" Some entrepreneurs will say money, others will say marketing, and a few even say luck. Through my research and interviews of successful entrepreneurs, I have discovered that the true answer is that there is no single secret ingredient in creating a successful business. The secret to a successful business involves putting together the right combination of many elements.

Anyone who has ever tried to plant a seed knows that it takes time and balanced attention to ensure that the plant grows. A plant needs the right type of soil, amount of water, fertilizer, sunlight, pruning, and temperature to grow tall and healthy. Many varieties of plants exist in the world, and each one requires a different combination of all of those ingredients. Some plants need