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The fun-loving, in-your-face entrepreneur behind
Dogfish Head Brewery

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Jane Poynter
started an
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Biosphere

Brian
Morgan
launched his
adventure travel
company with
\$3,000

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**The day my
industry died**

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**SIX QUESTIONS TO ASK YOURSELF
BEFORE STARTING A COMPANY**

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All this
could be yours
Here's how
10 savvy
entrepreneurs
got their dream
companies up
and running—
and how
you can do
the same

A man in a dark vest and light blue jeans stands in the middle of a vast, flat, white salt desert under a clear blue sky. His arms are outstretched to the sides. In the background, there are low, dark mountains on the horizon.

Fieldwork. Brian Morgan in the Salt Desert of Uyuni, Bolivia, during a seven-week trip to scout destinations for his tours

SO
YOU
WANT TO
START
AN

**Adventure Travel
Company** *It's not
what you think (don't
forget to check the
bathrooms for mold)*

In 1998, Brian Morgan traveled to Ecuador to learn Spanish and because someone he met in college once told him it was beautiful. There he trekked in the shadow of a volcano and rafted through the rain forest to a soundtrack of monkey chatter and birdsong. It would have been easy to put down roots in South America: Morgan envisioned building a life there as a consultant. But heart and home were in his native Montana. So, after some last-hurrah backpacking around Bolivia and Peru, Morgan flew back to

Missoula. He hoped to land a job that would support regular visits south of the equator.

Then Morgan had an idea. "I thought I could put a group of people together a few times a year and take them to Ecuador—show them the things that I found most spectacular," he says. His nascent business, Adventure Life, would lead travelers off the beaten path toward encounters with the land and culture. On some nights, clients would luxuriate in hot baths at a charming hotel. On others, they would rough it in a villager's plumbing-less home.

Morgan had just a couple thousand dollars in savings, though, so he accepted a software job and relegated start-up work to evenings and weekends. He printed 200 brochures advertising a single excursion and deposited them in coffee shops and sporting-goods stores near universities. No one called. Travel agencies waved him away. Concluding that travel-

Testing the Waters Morgan paddles Golden Stream in the Toledo district of Belize. Striking the right balance between adventure and comfort can be tricky.

ers wanted more than one option, Morgan created a second brochure offering three itineraries with six departure dates. He also built a website, which looked like the work of an Amazonian howler monkey. Fortunately, a graphic design student redesigned the site a few weeks later. Drawn by the brochure and the site, 100 people booked the first year.

Morgan had expected young backpackers to flock to the tours and assumed rudimentary accommodations and transportation would suffice. In fact, many clients were as old as 65. In addition, Morgan based his fees on data harvested from European company sites, which were plentiful. But because Americans take fewer vacations than Europeans, they are willing to spend more on

shorter trips. "I lost money on my first group in Peru," says Morgan. "Once I got there, I was like, 'Oh, my God; we cannot stay at this hotel.' I had to spend an extra \$100 per person to upgrade." Morgan began booking rooms in classier hotels and switched from bus travel to car services. That first year, prices rose 25 percent to 30 percent.

Morgan had also assumed he would maintain a staff of expat tour leaders in the countries in which he did business. Those guides would take over in challenging terrain and run tours themselves as the company grew. But on his first tour, Morgan observed that local guides were far better versed in the flora, fauna, and culture than their North American counterparts. Many spoke indigenous tongues as well as Spanish and English.

TRAVEL 101
Travelers want the real deal: an intimate, unmediated experience in the lands they visit.



COMPANY DASHBOARD ADVENTURE LIFE

FOUNDER Brian Morgan, 35 **LOCATION** Missoula, Montana
2008 REVENUE \$11 million **EMPLOYEES** 16 **START-UP YEAR** 1998
START-UP COSTS \$3,000 for two brochures and a laptop
BREAK-EVEN One year out on sales of \$125,000
BIGGEST EXPENSES \$11,500 on advertising in 1999 and \$33,500 in 2000. The biggest bite was print ads in magazines such as *Outside* and *National Geographic Adventure*.
QUALIFICATIONS Fluency in Spanish. Relationships with trusted locals and longtime expats on the ground
RED TAPE Regulatory burdens fall on lodges and providers of transportation and other services in countries visited, rather than on the tour operator.

And though local guides charged about twice as much per day as Americans, they were generally willing to sign on per tour rather than be hired as staff. So Morgan began recruiting locals, e-mailing people he had met on his travels for referrals.

Not surprisingly, the first few years required a lot of time in the (steamy verdant)



field. Morgan spent a third of 1999 in Ecuador, Costa Rica, and Peru leading tours and inspecting hotels—sometimes as many as 12 a day—for cleanliness and character. “You lift the covers and check the sheets and mattresses; check the bathrooms for mold,” says Morgan. He also personally auditioned activities offered to clients. “In Costa Rica, I rappelled down all these waterfalls,” he says. “When I was done, I turned to my outfitter and said, ‘My travelers can never do this.’”

With its founder abroad, Adventure Life needed a presence in the U.S.; at first, that presence was Morgan’s mother. After 10 months,

he hired an administrative assistant to help create new brochures and assist clients preparing for trips.

Over the years, Adventure Life’s business has waxed along with interest in the environment and indigenous cultures. Today, 40 percent of sales derive from customer referrals and coverage in guidebooks and travel magazines.

Morgan warns that running a company like his may wear down even the most wanderlustful entrepreneurs. “I went through major burn-out a few years ago and almost left the industry,” he says. “I lost all the original things I loved about travel.” To keep going, Morgan began mentally framing his trips as opportunities to see old friends and explore places he will never take clients. “It was totally unexpected that sharing my passion with others ended up dampening that passion,” he says. —Leigh Buchanan

Pop Politics
Johnny Cupcakes
riffs on cultural
touchstones.

SO
YOU
WANT TO
START
A

T-shirt Company

Great designs
are not enough.
You also need
lots of buzz and
exclusivity

It started with a nickname. Every day, Johnny Earle would go to work at the Braintree, Massachusetts, music emporium Newbury Comics, and every day his colleagues would call him something different. “Hey, Johnny Appleseed; Johnny Pancakes; Johnny Cupcakes!” Somehow, *Cupcakes* stuck.

That was back in 2000, when Earle was ordering T-shirts for his metal band, On Broken Wings. On a lark, he got a Johnny Cupcakes shirt printed up. His colleagues hooted, and store customers asked, “Where did you get that? Is it a bakery? An adult movie store?” Soon, Earle was selling half a dozen shirts a day from the trunk of his ’89

Camry. He bought cheap shirts from a local silk-screen shop where he once worked. Shirts plus printing cost \$4 or \$5, and Earle charged \$8 to \$10. He created new designs that played off pop culture—the Statue of Liberty lofting a cupcake; a cupcake and crossbones—and marketed them to customers whose e-mail addresses he had collected.

On Broken Wings signed with a record label and toured the U.S. After concerts, Earle sold his shirts—wrinkled and reeking of gas fumes from the band’s van—out of a suitcase. In cities they visited, he stopped by boutiques; a few bit. Meanwhile, customers who were also in bands dressed à la Cupcake onstage and in videos. A cult following grew.

Back home, Earle signed up with an

