

The 1997 Minnesota and Dakotas Entrepreneurs of the Year

This year's winners of the Entrepreneur of the Year® Awards were picked from a pool of nominees whose hard work and innovative ideas have created successful businesses. The winners—nominated in eight categories—were selected by a panel of judges based on the entrepreneurs' commitment and risk, financial performance, innovativeness, and community contribution.

Beginning on the facing page, we profile all of the 1997 finalists and tell their stories—from bold business idea, to courage in the face of failure, to determination to succeed, to giving back to the communities that supported them. Their stories are inspiring to budding entrepreneurs and a reminder to all that the American Dream is a living thing.



The 1997 Entrepreneurs of the Year. Back row, left to right: James Aronson, Tim Rashleger, Wayne Kostroski, and Douglas Burgum. Middle row: Alvin McQuinn, David Anderson, and David Pomije. Front row: Warren McLean, Robert Cavanna, Gerald Rauenhorst, and Stephen Vander Schaaf. Not pictured: Gary Welch.

The Judges:

Lieutenant Governor
Joanne Benson
State of Minnesota

Richard Born
Cofounder and CEO
Born Information Services Group

David Copham
Founder and chairman
Liberty Check Printers

Jason Lewis
Talk show host
KSTP-AM 1500

Nancy McCray
Economic development specialist
U.S. Small Business Administration

Edward Shorma
Founder and CEO
PrimeWood, Inc.

Katherine Vessells
Investment banker
Principal Financial Securities, Inc.

The Sponsors:

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A few days before David Anderson learned he was chosen as the 1997 Emerging Entrepreneur of the Year, he smelled something burning in his kitchen. "I was experimenting with some ribs and I saw a whole lot of smoke," he explains. "I'm always working on changing my recipes to make sure they're better. But this thing ain't supposed to be smoking."

Anderson's barbecue ribs are smoking in more ways than one. Anderson—founder of Famous Dave's of America, Inc., the rib-shack restaurant concept that has grabbed the Twin Cities by the taste buds—has visited hundreds of rib joints around the country and been refining his own barbecue-rib recipe for 25 years. He opened his first Famous Dave's restaurant in Hayward, Wisconsin, in 1994, and his recipe for ribs in a roadhouse atmosphere was an instant success. He soon was serving close to 1,000 dinners a night in a town that has a population of only 2,000.

As his company's name suggests, Anderson has become a popular, recognizable Twin Cities businessman in recent years. Famous Dave's restaurants are now located in Linden Hills, Uptown, Roseville, Maple Grove, and on West Seventh Street in St. Paul. The company reported \$4.8 million in revenues in 1996, and Anderson plans to grow his restaurant concept into a \$1 billion dollar business within seven years. By then, Famous Dave's will have approximately 200 corporation-owned units and 300 franchise stores nationwide. "We're right on track," Anderson says.

The company made an initial public offering in October 1996 for 2.3 million shares at \$6.50 a share. By market close, shares were trading at \$11.25. By late June, they were trading at around \$12.88. And in March, *Nation's Restaurant News* named Famous Dave's a "1997 Hot Concept," a distinction Anderson says is especially pleasing since the recognition comes from his peers—other restaurateurs.

Anderson says he's having the time of his life, combining his two lifelong passions—barbecue and blues (the Uptown restaurant features live blues bands)—into a profitable business. But none of his successes have been handed to him.

"You would think that whatever I touch turns to gold," Anderson says. "And it's so critical for me to have people understand that's not the way it is. My life has been filled with frustration. I've had my tough times."

Anderson was an entrepreneur by the age of 19, when he started a wholesale florist business in his hometown of Chicago. Within two years, he was servicing every large flower retailer in town and reached \$350,000 in annual revenues. Even so, due to a lack of un-

derstanding of the financial end of business, he was bankrupt at 26. He then became a sales representative for American Can Company, tirelessly peddling paper cups and toilet paper to turn a last-place territory into number one in sales.

Anderson went on to run the businesses—including a bingo parlor and cranberry marsh—of his mother's tribe, the Lac Courte Oreilles Ojibway, in Wisconsin. In three years he doubled the businesses' revenues. In 1985, Anderson was granted a Bush Leadership Fellowship to Harvard and earned his masters degree in public administration—without ever studying for an undergraduate degree.

Anderson then founded Grand Casinos, Inc., and held an executive position. He also was an original investor in the Rainforest Cafe in 1994 and until recently served on its board. "I've resigned from everything to be totally, 100 percent focused on Famous Dave's," he says.

Despite the popularity and financial promise of the Famous Dave's restaurants, Anderson says that Famous Dave's is about much more than ribs and revenues. "Famous Dave's is only secondary to creating opportunities for people," he says. "My whole goal is to help other people succeed. And I've put some meat into it; I'm not just talking out of the side of my mouth here."

Anderson, who has contributed \$6 million to various foundations that benefit the community, says he sees himself as "nothing more than a servant to the masses" rather than a good businessman. An ongoing venture that Famous Dave's has developed for its employees is Hog Heaven University, a series of courses that teaches what Anderson calls "life skills," not just the technical skills necessary for working in a restaurant.

"Two things that I feel are missing in our educational system are Problems 101 and Positive Mental Attitude 101," he says. "The two biggest things that keep people from succeeding in life are learning how to deal with problems and having a positive mental attitude to be able to handle those problems. And that's what our life-skills segment in Hog Heaven University is.

"People never understand that problems are OK, that the people in life who succeed are the ones that have accepted the personal responsibility to take on problems, so the higher up the corporate ladder you go the more problems that you handle."

—Shelly Fling



David Anderson Famous Dave's of America, Inc.

"My whole goal is to help other people succeed. And I've put some meat into it; I'm not just talking out of the side of my mouth here."