

# Quizzing the Winners

Three successful Idaho entrepreneurs discuss money, motivation and work, and give a few hints to budding businessmen.

**W**here there are human beings, there is the entrepreneurial spirit . . . the desire to create, to improve, to build. How do entrepreneurs think? Is money important to them? How do they view work? How do they view themselves? *FOCUS* asked three of Idaho's leading entrepreneurs these questions and more in an attempt to learn what motivates these unique individuals. Participating are:

- Duane Hagadone, Coeur d'Alene, newspaper publisher and developer of the new lakeside resort/convention center The Coeur d'Alene.

- Sybil Ferguson, Rexburg, founder of the Diet Center weight control program and franchise system.

- Robert Hansberger, Boise, founder of Boise Cascade Corporation and now president of Futura Corporation.

**Q.** When you were first getting started in business, what were some of the obstacles you had to overcome?

**A.** **HAGADONE:** When you first start, you've got to establish credibility, and you've got to establish financial ability. It took a tremendous amount of effort at my young age. I made up my mind that I did have an opportunity. I was not going to see that opportunity evaporate through lack of effort or trying. It is not easy to get established. It's hard to get doors open. There is only one way that you develop credibility and that is through performance, and you can't do that the first day on the job.

**HANSBERGER:** In early years, it was lack of experience, lack of money. I think those are the two main hurdles that I recall.

**Q.** How did you select your business? Why did you get involved in that particular enterprise?

**A.** **FERGUSON:** I have suffered from being overweight from the first year that I was married. I gained 55 pounds with my first baby. Four years later I had four babies and weighed close to 200 pounds. In Rexburg, I went to a doctor for surgery, and he said I was in a total state of malnutrition. After the operation I decided that counting calories, skipping meals, and literally going on starvation programs must be the wrong way to diet.

I developed a program where I lost weight myself, and then started helping friends and neighbors. That was 18 years ago. As I began to be paid for my services, my husband, Roger, became very interested and after a year of watching the dieters succeed, he said "Sybil, you have a service that people need. I think I'll quit my job and we'll go into the franchising business selling the Diet Center."

**HAGADONE:** The backbone of the Hagadone Corporation is the communication division and since that was a family business, I started out as a young boy with a paper route. I always loved the sales side of the business, and I used to work summers and Saturdays and Christmas vacations selling advertising at the *Coeur d'Alene Press*. I just really enjoyed it, and continued, after college, to put forth all my energies and efforts. I loved the business. I loved to sell. We have done some diversification in the development arena, through construction and apartment projects and now into the hospitality business, which has been very rewarding to me. And I think, after roughly 30 years in the newspaper business, these last four or five years in the hospitality industry have been exciting. I think it has been very good for me.

**Q.** Have you tried to plan your life . . . do you have a timetable for success?

**A.** **HANSBERGER:** I did at one time. When I finally got through business school I said to myself . . . I set a real tough target for myself . . . "I will be earning \$400 a month." I thought at the time that was a good, meaningful objective. I don't think I have set a specific target since.

**FERGUSON:** We were under such pressures to keep the Diet Center ahead of the market, that at the beginning all we could do is just run to keep up with the demand. We opened our pharmaceutical plant, we opened our print shop, we had computers, we had a training program, we developed new programs. And so we were constantly running just to keep up.

**HAGADONE:** I never have had a timetable and I really haven't planned my life other than I have worked extremely hard and enjoyed my life. I like to leave all the options open. If someone would have told me five years ago that I would be in the mining business today or the hospitality business, or the dog racing business, I would probably have told them they were nuts. The first test of any new activity that we become involved in is that it is going to be fun, something that I can



### Duane Hagadone

At age 26 Duane Hagadone inherited his father's newspaper, *The Coeur d'Alene Press*. Building from that, he now publishes 13 papers in five states. In addition, Hagadone owns several restaurants, a radio station, a printing company, and a bindery company. He is a partner in Bunker Hill Limited, an effort by Idaho investors to revive the Bunker Hill Mine near Kellogg. But Hagadone is most known to Idahoans for his recent ventures in the development and hospitality industries. His new lakeside hotel/resort, *The Coeur d'Alene*, has turned northern Idaho into a nationally known tourism and convention center. Now he is planning another hotel and golf course development on the lake.

be proud of, that would really be a challenge, that would be worthwhile. Life has to be a two-way street . . . it not only has to be good for our organization, but it has to be good for the community, or the others that you touch in your development.

**Q.** What motivated you at first . . . money, a desire for success, a desire to help people? What motivates you now . . . has that changed from when you first started?

**A.** **HAGADONE:** I always have been goal oriented. There is no question that I was on an incentive program for the *Coeur d'Alene Press* and I was interested in making more money in those very early days. As time has gone on, however, I

really believe the money has become less of a factor. I do get a great deal of pleasure out of working with others. Seeing people's lives improve . . . there is a great deal of personal satisfaction out of that area. I love the development business. I love to build. I've always had to have some type of building project under way for the last 15-20 years. And seeing the newspapers fulfilling the needs of the community gives me a great deal of satisfaction. That's what really keeps me moving these days.

**FERGUSON:** Diet Center has never been motivated for money. I helped dieters for a year to lose weight because I wanted them to feel the success that I had experienced. Knowing that that's the way dieters felt, I felt like I had something that was so unique and so special that I wanted to tell other people.

**HANSBERGER:** The example I can speak most specifically about is a company called Ram Golf Corporation, which we started completely from scratch in Chicago. I got involved in it because there was a concept, a vision of what could be done. Tied in with that was the opportunity for financial gain, but the primary consideration was the fun of carrying out the idea, executing the vision. If you put your hand on the tiller and the ship eventually begins to swing, there's a lot of fun in seeing that happen. I think the opportunity for financial gain is a part of it and I think all of my life I have tried to combine the two.

**Q.** Did you ever think you were on the wrong track . . . did you ever want to give up?

**A.** **FERGUSON:** I knew that this program worked, that it was right—that when people follow the program, it works. I never had any doubts that this program was the best that there could be.

**HANSBERGER:** I don't know that I have wanted to back up because of lack of confidence, but the fact is that I have backed up and gone in different directions a number of times. I have considered seriously being a preacher. I did in fact become a teacher and liked it. I worked as an engineer and enjoyed it. I made a change in direction and went into business after that. Those are rather abrupt and I think significant changes in direction. They were to go into something I thought would be more fun, and not because I lacked confidence in what I was doing.

**HAGADONE:** The only people that don't make mistakes are the people that don't do anything. Certainly we've had

projects that on the surface looked good and when we've gotten into them, they have not turned out that way. If that's the case, we'll bite the bullet, and say, "Hey, we gave it a try and it's not really what we wanted to do and it doesn't fit our style, and so let's cut our losses and move on to bigger and better things."

**Q.** Would you describe yourself as goal oriented?

**A.** **HAGADONE:** I would very honestly say that I'm a dreamer. All my life I've had dreams of plans and projects that I would like to be involved in. I guess I've never really had time to sit down and talk about specific goals.

**FERGUSON:** Rog and I are both goal oriented, and we are both project oriented. People had invested their life savings and we had to know where we were going with every dollar so that we didn't jeopardize that.

**HANSBERGER:** I think I am goal oriented. My own may not be that sharply defined, but I think anything I get involved in must have a well-defined goal for itself.

**Q.** How do you feel about work? Do you regard what you do as "work" in the traditional sense of the word?

**A.** **HAGADONE:** Absolutely not. I love Monday mornings. When I've got an opportunity and I've got a full week ahead of me, I get frustrated when I find that it's the end of the day. It's just a great thrill for me to do what I'm doing; it's nothing but play and great enjoyment and great satisfaction.

**FERGUSON:** I think about Diet Center 25 hours a day. I love my work. It stimulates me. I am constantly thinking and — I think it makes you feel young and excited about life.

**HANSBERGER:** I guess one of the definitions of work that I like is that work is something that you do because you have to, not because you like to. I guess everything else is either a hobby or entertainment, you do it because it is fun to do. Building companies and developing companies is fun, so it is hard to classify it as work.

I think there lurks in everybody a gap between what they can accomplish when they are traveling at cruising speed instead of idling speed. To me the difference between work and fun lies in the amount of



### Robert Hansberger

He has been a geometry teacher and an engineer. He has built some corporations from the ground up and rescued others on the verge of collapse. Robert Hansberger has lived in Idaho for 30 years. The Ram Golf Corporation in Chicago was one of the four companies he developed before he founded Boise Cascade in 1957, which he guided to national leadership in the wood and paper products industries. Hansberger began his current enterprise, Futura Corporation, in 1972, and is now active in the operation of several businesses, including a sign company, a wilderness resort, and a title company. He has served as president of the BSU College of Business Advisory Committee.

that difference that you can tap and apply and utilize. When you reach into a person and tap that motivation, you are tapping a resource that is very underutilized in the country. Frankly, that is the task of business leadership.

**Q.** How do you feel about money? Where does it fit in your life?

**A.** **HANSBERGER:** It is an important ingredient mainly because it's kind of the way you keep score. If you are accomplishing, creating opportunities for people, or creating growth, somewhere along the way there should be a way to measure that through the creation of value. That's where money comes in. The quality of money as it relates to achieve-

ment, as it relates to satisfaction, as it relates to accomplishment, is not in having it; it's in the creation of it. Having money should not be a destination. It's the process of creating value, of making money, that is fun, and the emphasis is on the making, not the having. It's more fun to make it than have it.

**HAGADONE:** As I look back, the younger I was, the more important money was to me. Today, I don't really look at that as a score card or as an important factor. Certainly, any business, to be successful, has to be profitable, and a lot of people lose sight of that. You can't do anything today if you don't have all the ingredients. So whether we like it or not, money does play an extremely important part in what we do. And if I want quality way above the normal cut, which is a trademark of our organization, somewhere along the line we've got to make money to develop other projects of the magnitude and the quality that we want. When you take on the projects of the magnitude that we do, it doesn't come through mirrors; it takes a tremendous amount of financial resources to do these things and you can't keep doing them unless there is a fair profit. And I do believe that when you perform a service, you're entitled to a fair and just profit.

**FERGUSON:** People in the Diet Center business have been more service oriented than money oriented, but money is a wonderful way of measuring their success. And money is essential in becoming successful in business. It takes money to make money.

**Q.** Do you currently feel you are "successful?" What does success mean to you?

**A.** **FERGUSON:** Yes, I think I'm successful. We have helped hundreds of people get into business so that they can improve their family lifestyle as well as their professional lifestyle. I think that we're successful in Rexburg because we're helping hundreds of families to be able to work and live and take pride in what they're doing. I think that when you know that you're changing millions of people's lives every year for the better, then that's a success. Success cannot be measured by money. I think that if you haven't got a successful well-rounded life with your family, with your husband, with your children, with your church, with your community, if you are only directed at the business, then that is not a success.

**HAGADONE:** I feel very good today about our organization. I look back as a

young boy growing up on the shores . . . I personally feel that I have made a major contribution to our community and the area that we serve. I'm extremely proud of the projects that we have been involved in, and I really get excited when I think that we have close to 2,000 people working in our organization. There's a tremendous amount of pressure to make sure that those people get their paychecks every week; they depend upon you. And again, there has to be the two-way street. And I also know that the larger you get, you have jealousy; you have people that are not in favor of bigness. The fact that we are able to provide jobs—what I think are good, safe, quality jobs—gives one a great deal of satisfaction.

**HANSBERGER:** To me, success lies in the feeling that you've added something constructive. You've applied some thinking, some motivation, some effort, or some money and created something that is (a) different because of what you inputted and (b) it's not only different, but it's better. That's the way I'd define success.

**Q.** Do you feel that you are a risk-taker . . . more so than the average citizen?

**A.** **FERGUSON:** Definitely. Rog and I are definitely risk-takers. We're excited about new businesses. In fact, Rog is starting up several new businesses right this year. We are going into the rabbit business, and the chicken business. We bought a trout farm in Blackfoot. We are excited and our minds are thinking of new and different ways, innovative ways, to formulate and produce business.

**HAGADONE:** I don't think there's any question about that. The opportunity to make money and to be successful normally doesn't come from just following what everyone else has done. Normally, the higher the risk, the higher the opportunity for success and reward, if you are successful. The decision of go or no go pretty well rests right on your shoulders. I like that responsibility. I think I thrive on it. I know the buck stops at my desk and if I make a mistake, then I've got to pay for it. But we do the best we can to minimize those mistakes. I also feel that we characterize our company as one that doesn't follow the normal mold. And I like that. I don't like to follow the drum that everybody else beats. I like to be a little bit different. I always try to come with that little sizzle, that something a little different that people talk about, rather than just the cookie-cutter type approach. That



### Sybil Ferguson

Like so many Americans, Sybil Ferguson had problems controlling her weight. Frustrated with conventional methods, in 1970 she developed her own weight-control program. Then she told her friends. They told their friends. And within two years the program developed in Rexburg was being franchised nationally. With her husband Roger, Ferguson has opened 2,200 Diet Centers serving 60,000 clients daily. Ferguson's books *The Diet Center Program* and *The Diet Center Cookbook* have been best-sellers, and she now travels across the country giving lectures on nutrition, motivation, and weight control. Among her many activities, she is a member of the advisory board for the BSU College of Health Sciences.

gets back to the fun of trying to be creative and it has worked extremely well for us.

**HANSBERGER:** By the popular description of risk taking, I very much am a risk-taker. Maybe by my own definition I'm less of a risk-taker than it seems on the outside, because I like to think that by now I'm betting on a known quantity—myself. I know what I can do and I know what the answers are and I know how to get there. So you can say that's very conservative to bet something on that. To the outside world, it may look like a long, long chance. It may look like Las Vegas.

**Q.** Have any of your ventures failed? What was your reaction?

**A.** **HAGADONE:** I honestly can say that I can't think of any venture that has been a total failure, if that is the real question. There have been projects and ventures that we've undertaken that have not been as successful as we would like for them to be. But outright failures, I really can think of none. We're in a very changing time. Any business that basically operates the way it did five years ago isn't going to survive. You've got to be creative. To me, that's exciting. It just opens up all that much more opportunity.

**FERGUSON:** We have invested in large farms — Rog has 600 acres of potatoes. He has hundreds of acres of grain. He owns thousands of acres. And of course, the potato and farm industry has not been a lucrative program as far as money goes and without the Diet Center, our profits in Diet Center supplementing the farm area, that would certainly be a failure. But we also have invested in other areas of business in order to diversify our money and some of them have failed. But we face ourselves and get back to the basics and run Diet Center.

**Q.** Entrepreneurs usually are in the public spotlight. What are your feelings about the public attention that you receive?

**A.** **HANSBERGER:** Frankly, I haven't thought a great deal about it. I think if there's any reputation involved, I would simply view it as another resource to be constructively utilized. But I frankly haven't been aware of it as either a great asset or a problem.

**FERGUSON:** I think this is one of the biggest areas of personal adjustment that I have made in the 18 years I have been in business. I am a private person. I'm basically an introvert. I did not ever get up and speak before people until I lost weight. I took lessons, I trained, and my experience was literally agonizing at times. Today, I am a public figure representing the Diet Center, and we have had tremendous, wonderful press up to now.

**HAGADONE:** I'm sure this would come as a shock to many, but I'm basically a very private person. I have no political ambitions. These last few years I have had to get into the public arena. I really enjoy my family and my private life and I just don't have a desire or a need to be out in that arena.

**Q.**

What advice would you give to someone just starting in the business?

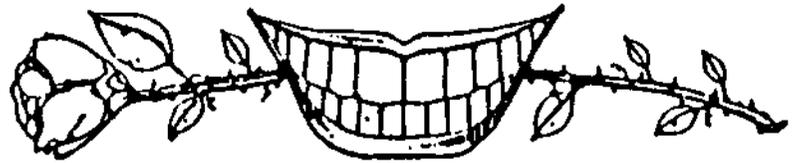
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**HANSBERGER:** Do your homework. Take full advantage of that priceless feeling of insecurity that comes along with inexperience. And use that, along with the fear of failure, to try to take the first steps in a very carefully considered analytical way. It's not sure. It's hard work. But in the final analysis, it's all part of the creative process. And if the objective is a worthwhile one, if the vision is a good one, it deserves an awful lot of tedious work, particularly the first time or two around.

**HAGADONE:** One needs to get a good education, and build from that solid foundation. You need to hook on with absolutely the best people in whatever field you can. I absolutely believe that you've got to start at the bottom of any business. The one thing that nobody can take away from you is a good education and a good basic understanding of businesses. There are no free lunches out there today. You have got to be willing to roll up your sleeves. You've got to put forth that extra effort. One needs to sit down and determine just what their goals are or what their needs are. It's going to take that extra effort if you want to become an entrepreneur. If your goals are at the high end, you've got to make sacrifices. I love what I do. I would rather be down here working on a project on a Saturday morning than I would be out trying to take five bucks off my friends on the golf course. I can't tell you a time that I've ever gone to work, because it isn't work . . . it's fun, it's rewarding.

**FERGUSON:** First of all, they need good credit. If they're women starting up a business, they need to develop a relationship with their banker. They need to have established credit. They need to have credit cards in their own names. They need to have money in savings. They need to have a plan developed and clearly, precisely written out. I don't think that anyone without taking these steps will be successful. You have to have enough money to make money. When you are in business, and it doesn't matter what kind of business it is, you are never your own boss, because your customers determine what your business means. It is 14 hours a day on the job; 25 hours a day thinking of the job . . . a total commitment in order to be successful. □

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