

## BOUNCING BACK

For these entrepreneurs, a pink slip opened doors

By VIRGINIA BACKAITIS

**W**HEN Michele Harris was laid off from her job as an ad agency VP in 2001, she didn't take

it that hard at first.

"I partied," she says. It was the beginning of summer, and with no job to go to and her severance in hand, she enjoyed the good life on Fire Island and in the Hamptons.

Then summer ended, 9/11 hit and reality set in.

"It was awful," says Harris. "There were no jobs. Besides, I was so disenchanted I couldn't think of a single agency I wanted to work for."

She thought about medical school, but considered the bills that needed paying and instead did a serious self-appraisal.

"I asked myself: What do I have to offer that can add value and that I can get someone to pay me for?" she said.

Today, Harris runs Smarti Solutions, which pairs clients with marketing agencies or experts that can best suit their needs. The company, which she started in her Upper East Side apartment using money borrowed on nine credit cards, is now in its sixth record-setting year. And she believes none of it would have happened if she hadn't been pink-slipped.

"I always wanted to have my own company, but if I hadn't been



laid off, I probably wouldn't have had the guts to start one," she says.

While a pink slip hardly looks like the key to opportunity, that's exactly what it turned out to be for some New Yorkers hit by past layoffs. Forced out of steady jobs by circumstances outside their control, they used misfortune as a launching pad, taking a good, hard look at the economic climate, their abilities and goals, and choosing to bet on themselves rather than on a potential future employer.

Among them is Jodi Auerbach, who found herself at loose ends after she got booted from her job as a golf-clothing designer at Oxford Apparel last year.

"I knew layoffs were coming — I just didn't know they'd pick



**NEW START:** Jodi Auerbach (left) started a travel-concierge business after losing her job designing clothes; a layoff led Scott Swanay from corporate actuary to operator of a fantasy-baseball site.

Michael Sironoski(2)

me," she said.

When they did, looking for a similar job in a depressed market didn't seem too promising. But she had a Plan B she'd been keeping at bay: What if she took the itinerary-planning know-how she'd gained as a world traveler and her intimate knowledge of the Big Apple and started a business as an independent concierge?

With the support of friends and family, Auerbach started TheWellPlannedTraveler.com — and less than a year later, she's not only paying her bills, she's making money.

"Getting laid off gave me the push that I needed and the time to try," she says.

For Scott Swanay, a Harvard-educated actuary, getting laid off twice early in the decade due to company mergers provided something else as well — a desire to be his own boss that led him to risk trying a start-up.

"I used to think if you worked hard and did a good job, then good things would happen,"

he says. But "fate was always beyond my control. It was time to try something different."

So Swanay, who has a passion for baseball, moved out of his fancy Sutton Place digs and into a cheap apartment in Harlem, where he lived off his savings and spent a year developing a new baseball statistic that was supposed to help Major League coaches negotiate smarter contracts. Unable to generate enough interest, he eventually shelved the effort — but the disappointment didn't send him running for refuge under the umbrella of a steady employer.

Instead, he did what entrepreneurs do: He went back to the drawing board and asked himself how else a baseball enthusiast might use his statistical skills to make money. Serendipity had it that part of the answer was already in his hands. While helping a friend manage a fantasy baseball team, he'd been playing with stats on spreadsheets to get

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# Downsized

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an edge. When he started winning, a light bulb went on in his head, and FantasyBaseballSherpa.com, his subscriber-based service, was born.

With a growing subscriber list, a recently launched football site and basketball and hockey sites in the works, Swanay has no regrets.

"I felt held back before. Now I'm moving forward."

## EXIT STRATEGIES

While it took Swanay a while to land on a business idea, the three founders of Morpheus Media, an interactive marketing firm, made their move before they even walked out the door of Mass Transit Interactive, the marketing agency where they were simultaneously sacked during the dot-com bust.

"As soon as they told us they were restructuring and that our roles were being eliminated, we began to talk," says partner Jamie Driver.

In fact, it was the company's downsizing that led the soon-to-be partners to sniff an opportunity, as they asked themselves who was going to manage the accounts they were leaving behind.

"There was no way they were going to be able to do it," says Driver. So he and his cohorts cut a deal with their former employer and started Morpheus Media with two paying clients in hand, using their severance and savings for startup cash.

"I was 24 — I didn't have a whole lot to lose," says Driver. Still, he was terrified, he says. Although he'd always thought he'd start his own business someday, he had no plans of doing it this soon or in exactly this fashion.

"Our early days certainly weren't very glamorous. We were an agency of three people, all of whom worked from home," he says.

It wasn't all smooth sailing, either. For one thing, one of the two initial customers backed out after 9/11. But "We believed in our business model," says Driver. "We were sure interactive advertising was going to grow."

He was right — Morpheus now employs 50 people and will likely generate



**Jamie Driver (above) started Morpheus Media with two former co-workers; Michele Harris launched her firm after being laid off from an ad agency.**



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\$40 million in billings this year. And there are other rewards.

"Finding something I like and getting to do it for seven years in a row without having to change jobs, it's nice," he says.

Not every entrepreneur who makes it big sets out with big plans. Take DivineDiamonds.com CEO Ruta Fox, whose initial transition from a job as a creative director at Grey Global was to her couch, where for month after month she sat and prayed, waiting for a

window, so I trusted that I'd find it, or that it would reveal itself to me."

The window opened when a friend asked Fox to leverage a Jewelry District connection to purchase a ring — something small, with diamonds, for her pinkie — and Fox used her eye for style to deliver a winner. As often happens with girlfriends and cool things — if one of them has something nifty and new, everyone else wants one, too — demand grew, and left Fox schlepping to the Jewelry District



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## and up

These first-time business owners used a layoff as a launching pad

weekly to buy rings, first for her friends, then for friends of friends.

She spied opportunity, and the Ah Ring was born. With a name derived from "available" and "happy," the rings were aimed at single women — who, the marketing pitch went, deserved to buy themselves a diamond instead of waiting around for Mr. Right to do it.

When an editor at Oprah's O magazine put the Ah Ring on the "Oprah's Favorite Things" list, orders poured in, leaving Fox struggling to fill a demand only Oprah-like buzz can generate.

First, she had to beg her mother for a \$30,000 loan when she couldn't get a bank loan to buy inventory. When the factory was slow to deliver her orders, she wrote more than 1,200 postcards by hand announcing a shipping delay.

Her efforts paid off. "That's how I made my first million dollars," says Fox, who's since

## Out of the gate

The lessons these entrepreneurs learned include: **JUST DO IT** It's good to think things through before taking the plunge, but don't think too long, says Scott Cohen, who started a training business, The Athlete Within, after losing a finance job. "You can sit there and dream about it or you can do it."

**DO IT YOURSELF** It might be tempting to delegate, but "at the beginning do everything yourself," says Ruta Fox of DivineDiamonds.com. "No one cares about your business like you do."

**DON'T GET TOO FAR IN HOCK** Sometimes a loan is called for, but if you can build a company with your own money, do it, says Jamie Driver of Morpheus Media. "Don't look for or accept credit — it costs more than you think."

**TEST BEFORE YOU INVEST** "You can have a great idea with poor results, or a good idea with great results," says Scott Swanay of FantasyBaseballSherpa.com. "You need to know which you have as quickly as possible." — V.B.

expanded her line.

Like Harris of Smarti Solutions, she says none of it would have happened if she hadn't been forced out of her comfort zone. And both women say that no matter how traumatic los-

ing a job was, they wouldn't change a thing.

"I had a false sense of security before," says Harris. "Now I have a more satisfying, fulfilling and lucrative career, and that's what makes it so worthwhile."

## CAREER COACH Q&A

### [ GO TO GREG ]



**Q** I graduated from college in 2007 and now have a dead-end job with low pay, no benefits and no opportunity for advancement. I passed the NYPD exam in June and was set to enter the Police Academy in

January until the city canceled the class due to budget cuts. Should I stay at my job until next July, when the next class starts, or quit now and enjoy the time off? Luckily for me I live at home rent-free.

**A** Do you live at home food-free too? Utilities-free? Laundry-free? It's the holidays, so I guess you'll be gift-free too... not just giving but receiving, right?

As for your current job, why does it matter if it's a dead-end gig since you plan to leave anyway? The lack of benefits is irrelevant, since you're already enjoying the "benefits" of the stay-at-home plan. Come on, dude, you're going to be joining the ranks of New York's Finest, not its Whineest! People dread dead-end jobs when they're stuck with no options, but you've got a plan, and an

admirable one. Now's not the time to get soft and lie around for six months, unless you can be of more help to your family by taking care of responsibilities at home than by working and contributing financially.

Now, if you want to take a month off before starting the academy to chill and prepare for your new career, I'd support that if your family could. But remember, you'll have plenty of time to sit around when you're in your patrol car waiting for unsuspecting drivers to forget to fasten their seat belts so you can pull them over and slap them with a ticket while they're late for an important meeting, as happened to me last week!! (Hey, we kid because we love, even when getting the damn ticket!)

**Q** How do you manage a toxic boss? I like the job, but after a year of working for this person none of us have figured out an effective strategy. Any advice?

**A** Yes. Find a new job. Managing your boss shouldn't be a full-time job, and toxic bosses are a drain. It's unhealthy to work for one for too long — you can begin to lose perspective on how a work relationship with a boss can and should be. If everyone refused to work for a toxic boss there would be fewer of them. So stop trying to make it work — it won't. Give yourself a gift this holiday season and begin searching for a new job in another division or company. Good luck!

Got a question for Greg? E-mail [gotogreg@nypost.com](mailto:gotogreg@nypost.com)

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