

Entrepreneur®

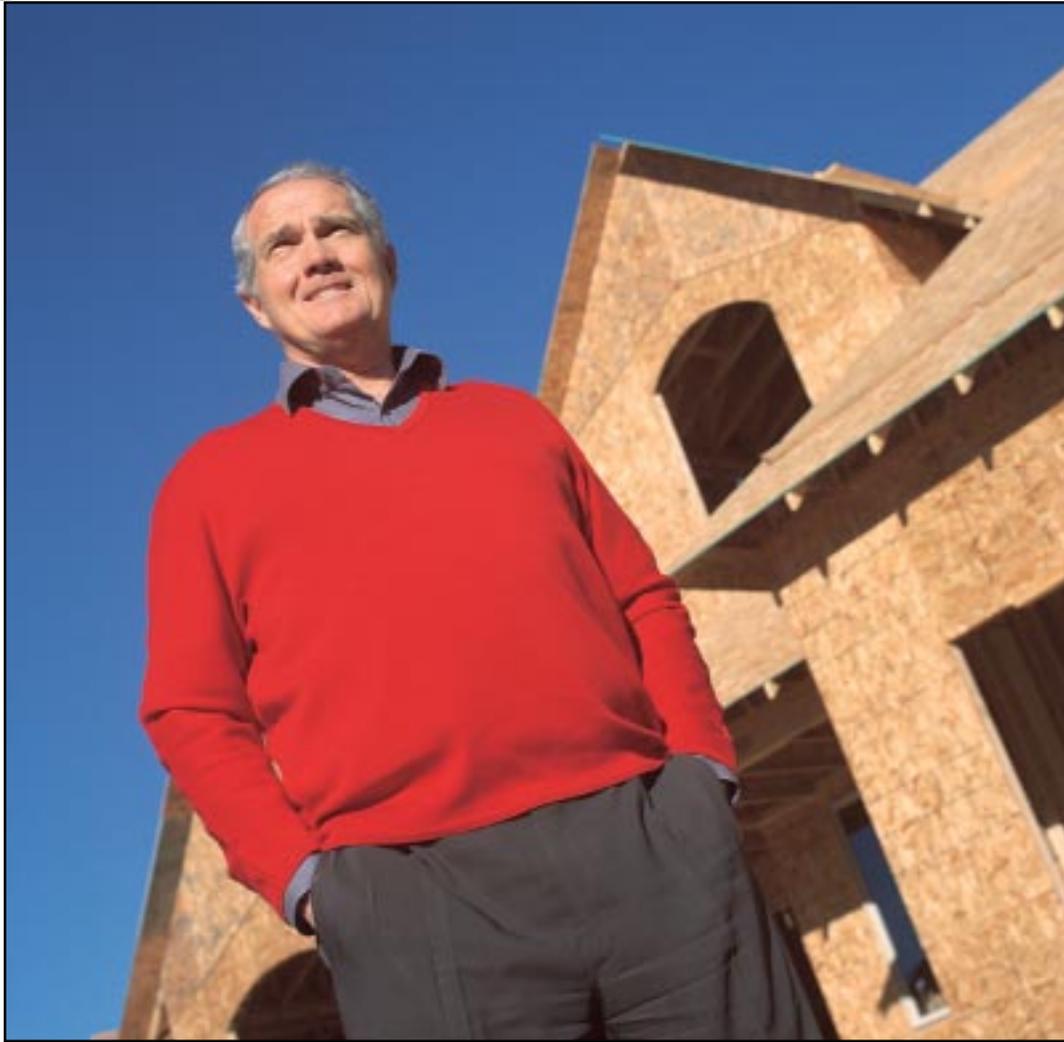
SOLUTIONS FOR GROWING BUSINESS

MAY 2002

SMARTS

SHIFTING GEARS:

For 25 years, the only difference between the ups and the downs has been what Stephen Holben was building.



CLASS OF '77

WE AREN'T THE ONLY BUSINESS THAT'S TAKING A LOOK BACK AT ITS FIRST QUARTER-CENTURY. BY GEOFF WILLIAMS

IF TODAY'S ENTREPRENEURS could travel back in time and start a business in 1977, they would hardly recognize Stephen B. Holben's world.

Sure, some of what they'd find would feel familiar—the new Star Wars movie coming out, and, hey, this is the year Elvis dies?—but what would seem strange is starting your company the way Holben, now 57, did. You would be without the aid of e-mail, a cell phone or a fax machine. There's no Staples or Office Depot. FedEx de-

livers to only a handful of cities. There aren't even a dozen business incubators in the country (today, there are over 900). With the exception of your fresh copy of the debut issue of *Entrepreneur*, you'll have to go through this mostly alone.

Today, Holben Building Corp. is, in many ways, typical of entrepreneurial businesses. It is prosperous, if not a phenom. The commercial and residential construction company averages about \$3 million a year, way up from the less than \$200,000 it brought in in 1977. He once had several employees, but Holben is now on his own, overseeing about 50 contractors, and on some projects as many as 400.

Decked out in his bell-bottoms and large shirt collars, Holben started Holben Building Corp. in his native Denver in June 1977, one month after *Entrepreneur* debuted and more than a year after he was laid off from the corporate world. Although he was full of admiration for his father, who owned a public accounting practice, the way Holben felt about entrepreneurship back then pretty much sums up the attitude of his generation: "I thought, 'Yeah, I'd like to do this, but one has to first develop the confidence—or desperation—to start a company.'"

By 1977, Holben was just desperate enough. His cousin, Bill Holben, an accountant, suggested they go into business constructing houses, and Steve agreed. Bill soon lost interest and left, but Steve was hooked. "I loved, and still love, the independence and flexibility that being an entrepreneur provides."

Not that he's been living in Opportunity City. Holben's business was clobbered by soaring interest rates in the early 1980s, blasted by the fallout from the Savings and Loan crash and bruised in the oil bust that crippled Denver. He has watched the housing market plummet and climb through the

dotcom debacle and the post-September 11 world.

His darkest moments, however, came in his company's dawn. Just two years after Holben Building Corp. launched, interest rates skyrocketed, and the housing market became extremely depressed. So did Holben. "I wasn't sure what would happen," he says. "It put a great deal of pressure on me, my marriage and my self-esteem, and created a great deal of uncertainty. And then out of the blue, my former partner [who had gone back to accounting] was moving offices and asked if I would build offices for him."

Would he? Does a starving man refuse a beef hoagie just because he's a vegetarian? Holben and his crew went to work, and for the next 15 years or so, he concentrated on building commercially, constructing everything from restaurants and banks to a post office and a nuclear weapons plant. "What started as my darkest hour turned into an opportunity, and I attribute that solely to my flexibility," says Holben, who recently returned to building custom homes.

Holben's flexibility allowed him to adapt to ever-changing technology, which he sees as the biggest change any industry has had

to face. "That's pervaded every bit of my business," says Holben, who used to employ a bookkeeper, a job superintendent and several others. As employees exited, he found he could replace them with computer software. "During the early 1990s, it developed to the point where I could keep all of my job costing and tax planning and scheduling on a computer, and it's gotten better since then."

Better is the key word. Holben enjoys his work more than ever, and even carries his competitive entrepreneurial spirit over into his free time—running 10Ks and bicycling. To his delight, his children have been following their entrepreneurial instincts: His daughter writes for magazines, and his 31-year-old son has produced Spanish/English phrase guides for restaurants and landscaping businesses.

But Holben has no plans to cede the entrepreneurial stage to the next generation. He expects Holben Building Corp. to flourish for years to come. Says Holben: "I'm in very good health, and I don't like the idea of not working, so I anticipate staying in business for the next 10 or 15 years."

Maybe even the next 25.