

The Power of One Entrepreneur

Thane Hayhurst
High-Tech Entrepreneur



A Publication of
The Institute for Justice
July 2010

Not all regulation is bad, but it turns toxic, however, when its purpose is merely the protection of a few industry insiders who are seeking to stifle competition by making it more difficult for others to enter that trade. It is already difficult enough to go into business. Other Institute for Justice reports demonstrate that the red tape entrepreneurs must fight through just to start a business, let alone sustain one, is overwhelming to even the savviest individuals, never mind those with little experience and few resources.



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The PO

Introduction

Each day, Texas high-tech businessman Thane Hayhurst demonstrates the power of one entrepreneur.

Because of Thane—and countless entrepreneurs like him nationwide—Americans are finding much-needed jobs and something more: hope for better lives founded on this one entrepreneur's tangible achievements.

As this report demonstrates, Thane Hayhurst does what entrepreneurs have done for centuries: He improves his own life and the lives of those around him through his honest enterprise. He creates better businesses that provide

A man with short dark hair, smiling, wearing a dark suit jacket over a blue collared shirt. He has his arms crossed and is standing in front of a sunset or sunrise sky with orange and yellow hues. The background is slightly blurred.

POWER Of ONE Entrepreneur

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Thane Hayhurst
High-Tech Entrepreneur

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better products and services to consumers. He puts others to work so they, too, can provide for themselves and for their families, and likewise improve the lives of those around them. And he provides vitally important services through volunteer work and other philanthropic efforts that help transform the lives of individuals he personally encounters as well as entire communities around him as a whole.

Hayhurst immigrated to the United States from New Zealand nearly 20 years ago at the age of 25 and has been self-employed nearly ever since. Like many small enterprises, he started his first business, Kiwi Computer Services Inc., out of his apartment—something that state and local governments increasingly frown upon today. From that point on, he grew one business after another, including his latest, called *iTalent Consulting*, which matches skilled workers with jobs in the information technology field and provides temporary staffing for companies like Nationwide Insurance and AT&T. All the while, Thane improved his own skills and the services he and his techs provide.

What kind of an economic impact can one entrepreneur have on any given city or state or nation? Consider that for every 12 people Thane's *iTalent* enterprise places in jobs, which average around \$90,000 a year, he adds \$1 million into the economy. And Thane has placed that many or more people every year into such jobs nationwide since the founding of his *iTalent* company.

Job creators like Thane, however, face major challenges in the form of misguided government regulations, regulations that are often imposed at the behest of private interests looking to use government power to limit competition. Arbitrary and irrational red tape now threatens thriving enterprises like Thane's, as well as hundreds like them across the state of Texas.

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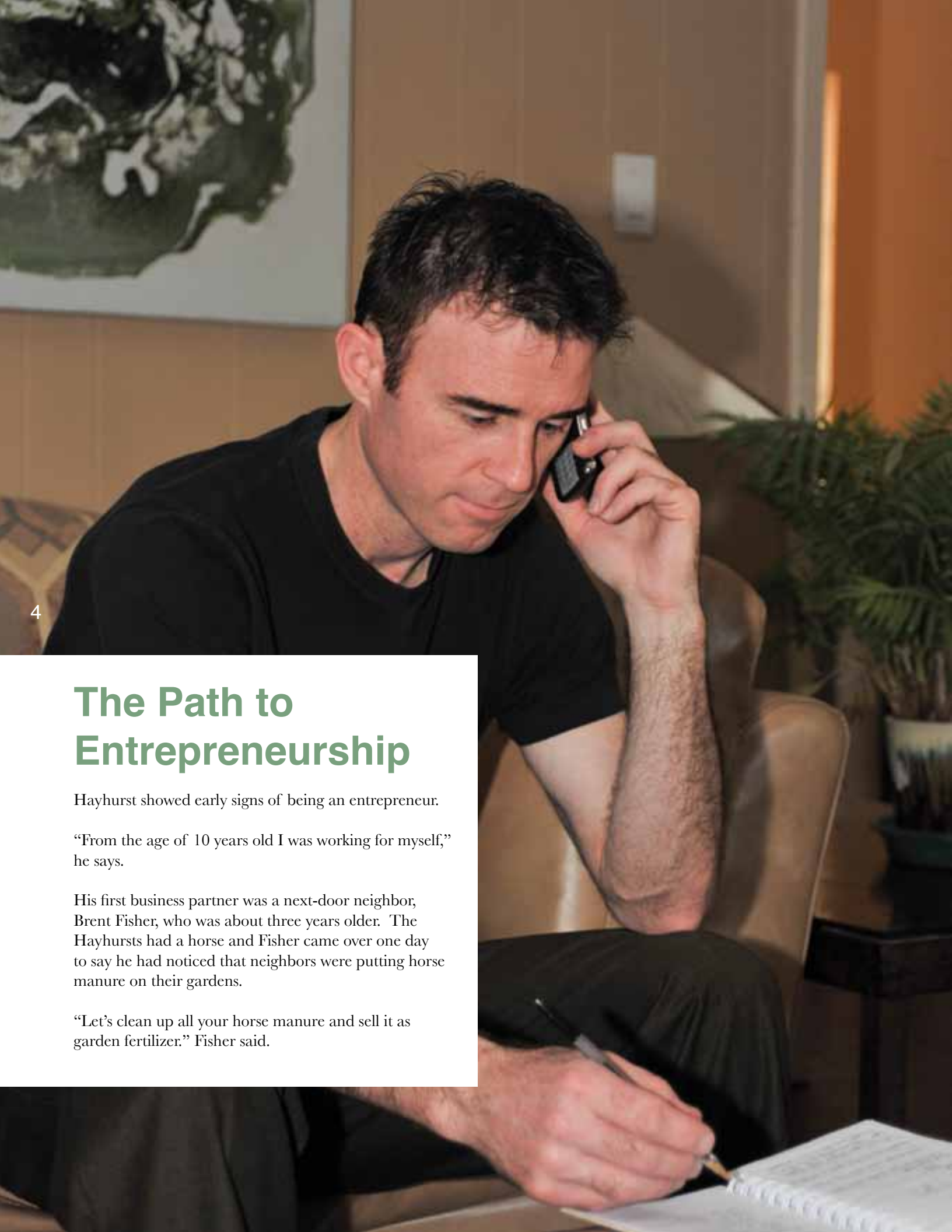
The Path to Entrepreneurship

Hayhurst showed early signs of being an entrepreneur.

“From the age of 10 years old I was working for myself,” he says.

His first business partner was a next-door neighbor, Brent Fisher, who was about three years older. The Hayhursts had a horse and Fisher came over one day to say he had noticed that neighbors were putting horse manure on their gardens.

“Let’s clean up all your horse manure and sell it as garden fertilizer.” Fisher said.



Thane started 13 different business enterprises before he graduated college. Since then, Hayhurst grew into a “serial entrepreneur” who has created four well-paying jobs for himself over his career.

That was Thane’s first job. He started 13 different business enterprises before he graduated college. Since then, Hayhurst grew into a “serial entrepreneur” who has created four well-paying jobs for himself over his career.

“Brent showed up with the sacks and the wheelbarrow and the shovel and I had the horse and we went out there and we shoveled the stuff and went up and down the street, selling it for fifty cents a sack. We both made about \$3 at the end of a couple of days,” Hayhurst said.

If he learned about niche marketing from his buddy, he learned about customer service from his mother when he began to pick wild blackberries to sell to his school teachers in Invercargill, New Zealand.

“She said, ‘If they order two pounds, give them two and a half. If they order five pounds, give them six because what if our scales are different than theirs?’ And she said, ‘Wash them carefully and make sure there are no bugs or leaves in them so that when they use them, they come back to school the next day and tell the other teachers how wonderful these blackberries were, and your sales job will be done.’”

He only had to make that first sale. Word of mouth took care of the rest. It was a principle he continued to follow when he came to the United States.

Thane would start on the more traditional path with a job in corporate America, but within seven months, he would decide to venture out on his own in a computer services company. Later, he would sell his client list and move back into the corporate marketplace. But this, too, would last only seven months until he was back in business for himself.

There isn’t one clear path to entrepreneurship, but the one Hayhurst walked is not uncommon.

What is an Entrepreneur?

Henry Ford was one. Bill Gates is one. Warren Buffett meets the definition. But so do Thane Hayhurst and literally hundreds of thousands of men and women willing to take the gamble of going into business for themselves.

The term itself originated in French economics in the 17th and 18th centuries to describe someone who shifts economic resources out of an area of lower productivity and into an area of higher yield.¹



Small businesses started by entrepreneurs willing to work themselves almost or perhaps literally into exhaustion are the backbone of the American economy.

Entrepreneurs are achievement-oriented, pragmatic and positive. They enjoy independence, take risks, learn from their experiences and can inspire others. They also tend to be energetic, determined and self-confident. They do not, however, rely on vague notions of luck. They are conscientious and disciplined—and make their luck.²

Small businesses started by entrepreneurs willing to work themselves almost or perhaps literally into exhaustion are the backbone of the American economy.

The Small Business Administration Office of Advocacy reports that small firms employ more than half of all private sector employees, pay 44 percent of total U.S. private payroll, generated 64 percent of net new jobs during the past 15 years and hire 40 percent of the high-tech workers.³

The U.S. Census Bureau said that in 2007, there were 140,829 identifiable business establishments in the Dallas-Fort Worth-Arlington, Texas Metropolitan Statistical Area. Just over 83 percent (83.37) employ fewer than 19 people. Seventy percent employ fewer than ten.⁴

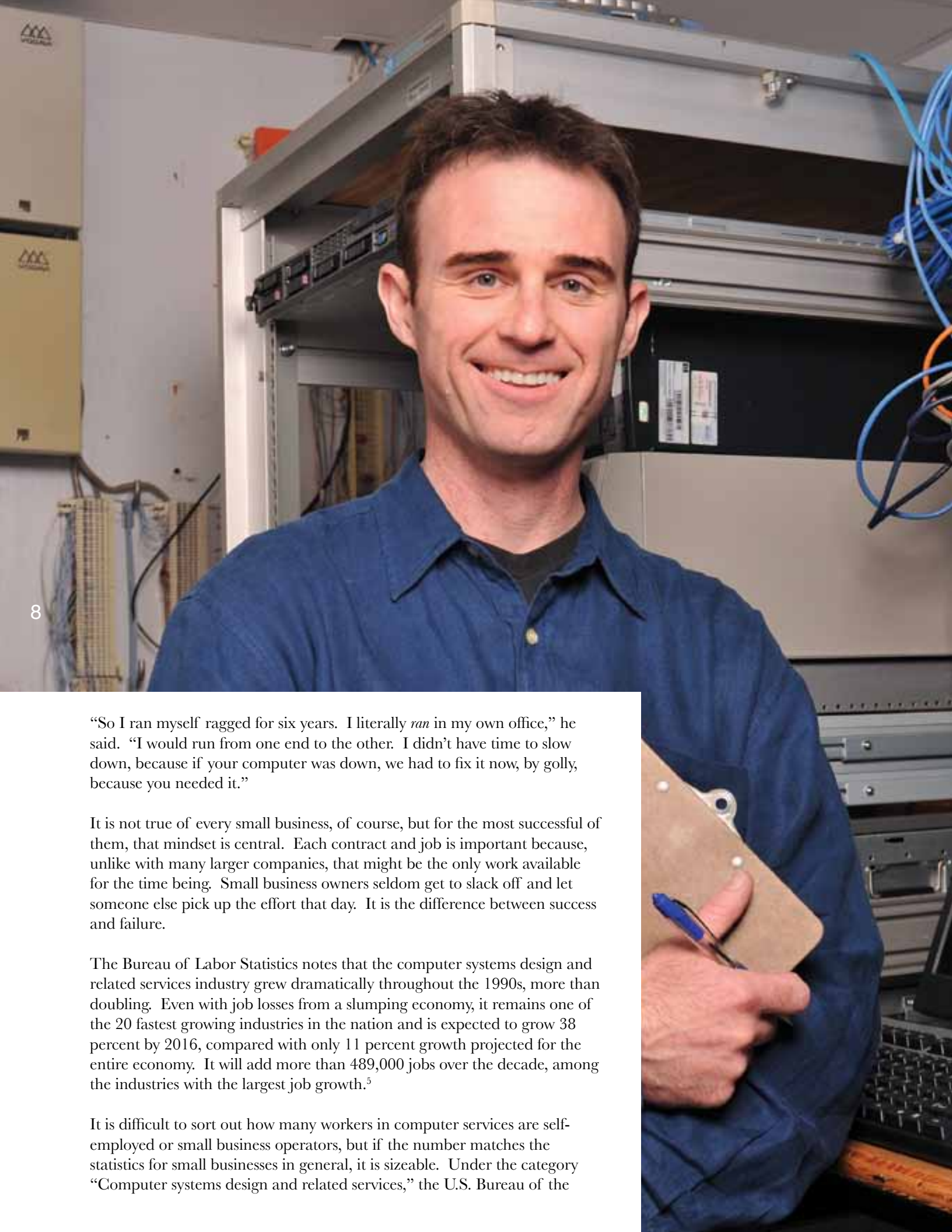
Hayhurst never employed more than a dozen at one time and today has four people on his payroll.

It was—and is—constant hard work.

“I spent the first two years on the phone, just calling companies one after the other after the other, trying to get some business,” Hayhurst said. “After a couple of years, we had a pretty good base of clients. When one person would leave that company and go to the next company, they would find out that that company had problems with their computers and say, ‘You should call Kiwi Computer Services.’”

Hayhurst brought a sense of urgency to the business.

“My goal was to never lose a client,” Hayhurst said. “I understood that computers were the key and the backbone to operating a business, and, without them, you were basically out of business.

A man with short brown hair and a friendly smile is wearing a blue button-down shirt. He is holding a clipboard and a pen. The background is a server room with racks of equipment and blue cables.

“So I ran myself ragged for six years. I literally *ran* in my own office,” he said. “I would run from one end to the other. I didn’t have time to slow down, because if your computer was down, we had to fix it now, by golly, because you needed it.”

It is not true of every small business, of course, but for the most successful of them, that mindset is central. Each contract and job is important because, unlike with many larger companies, that might be the only work available for the time being. Small business owners seldom get to slack off and let someone else pick up the effort that day. It is the difference between success and failure.

The Bureau of Labor Statistics notes that the computer systems design and related services industry grew dramatically throughout the 1990s, more than doubling. Even with job losses from a slumping economy, it remains one of the 20 fastest growing industries in the nation and is expected to grow 38 percent by 2016, compared with only 11 percent growth projected for the entire economy. It will add more than 489,000 jobs over the decade, among the industries with the largest job growth.⁵

It is difficult to sort out how many workers in computer services are self-employed or small business operators, but if the number matches the statistics for small businesses in general, it is sizeable. Under the category “Computer systems design and related services,” the U.S. Bureau of the

Census reported 117,909 establishments nationally in 2007 with an average of 11 employees.⁶

If starting a business in this category were easy, everyone would do it. But because some do not have the drive or skill or capital or confidence or simply the ability to cope with the uncertainty and stress of risking everything, the jobs people like Thane Hayhurst create are important—and especially so in an uncertain economic climate when people suddenly find themselves out of work and forced to start entirely new careers, sometimes late in their working lives.

The economic landscape has changed with the financial meltdown of 2008 and the millions of jobs that disappeared as major companies slashed their workforces simply to survive may never return. High technology was a somewhat bright spot among all that gloom. The U.S. high-tech industry in the fourth quarter of 2008 lost jobs at half the rate of the total private sector loss. In fact, it gained jobs for the better part of 2008, only to see 38,000 jobs disappear in the fourth quarter. Still, that was a job loss of -0.6 percent, compared to -1.3 percent, or 1,535,000 jobs lost in the overall labor market.⁷

The U.S. government reports that 1.45 million people were employed in computer system design and related services in 2008. That was a 48 percent increase in that category since 1998.⁸ In an increasingly high-tech and connected society, there is no reason to think that growth in the field will not continue, especially among small companies.

People will find a way to earn a living. Some will go beyond that, start their own businesses and hire others who will go on to start their own businesses and create even more jobs—most of them in small businesses where mere survival requires attention to detail and to customer needs that are beyond the ability or interest of many larger companies.

The U.S. Census Bureau reports that in 2007, there were 3,192 identifiable businesses in the Dallas-Fort Worth-Arlington Metropolitan Statistical area in the category of computer systems design and related services. Seventy-one percent have four or fewer employees. Nearly 83 percent have fewer than nine.⁹

Coming to the States

Thane Hayhurst's father is American and his mother is from New Zealand. They met when both attended Abilene Christian College, now Abilene Christian University, in Abilene, Texas. They spent the next 41 years in New Zealand as missionaries.

But the family had deep American roots.

"My family first came to the States in 1682 on one of the two boats that came over with William Penn," Hayhurst said.¹⁰

James Goode of Applied Data Sciences in Dallas hired Hayhurst because his engineering company wanted to expand into computer networking. Hayhurst was to develop new business.

"I wouldn't say I was very successful at it because I didn't really know a lot about computers—but I did know how to sell," Hayhurst said.

But he decided he wanted to be an entrepreneur and work part-time for Goode while working for himself the rest of the time. If that was going to be the case, Goode told him, then Hayhurst needed to set up his own company.

And so Kiwi Computer Services Inc. was born with Hayhurst working out of his apartment. When he would make a sale, he would buy the parts through Applied Data Sciences and Applied Data would do the service. In July 1992, when Applied Data decided to get out of that business line, the company gave him access to all of its clients so he could start selling for himself.

It was a huge boost for Hayhurst. A lot of hard work lay ahead, but he made it work.

The customers loved it.

Rawlins said, “I would equate his personalized services to the subject matter in the book, *Raving Fans*, by Sheldon Bowles. That book presents the notion of converting a satisfied customer into a raving fan. I can think of no other person we would recommend for similar computer services than Thane Hayhurst.”



Ian Russell is one. He owns Ian Russell Co., Commercial Real Estate Services, in Dallas with offices in Florida, where he now lives.

Thane demonstrates the power one entrepreneur can have on many other businesses, like Russell's. Thane was—and remains—very helpful to Russell and his company.

“Thane has always been willing to go above and beyond to solve a problem, and I never felt he was taking advantage of me or my company,” Russell said.

Hayhurst set up a network system especially to meet the need of Russell's company and always responded to trouble calls quickly regardless of weekends and holidays.

“Thane was always trying to help you with referrals, and he wanted to do what he could to help your company grow and prosper,” Russell said. “He never had his hand out.”

And, this word of high praise: “I consider him a true friend—and business associate.”

Erle Rawlins, owner of Real Estate Consumer Consultants of Dallas, said Hayhurst matched the office's computer system specifically to his needs.

Rawlins is a businessman and he is realistic about the services he buys.

“If someone else could have helped us better, or even as well, we would have tried that alternative service,” he said, “Yet, I see no way any other person or service company can offer the same level of consistent and personalized service as Thane.

“In fact, I don't really remember the last time we considered anyone other than Thane for help in this area.”

And when it came time to buy newer and better equipment, Thane made the conversion from old to new easy. And he is always available 24 hours a day, seven days a week.

“Bottom line,” Rawlins said, “in all the years we've used his services, there has always been a smile and an eagerness to help.”

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That kind of loyalty has to be earned. But it pays off, whether in computer service or high-tech placement. Advertising is by word of mouth with clients continuing to turn to him when they change companies.



“So [Pich] showed up the next week without any knowledge of computers,” Thane said. “We went out to the back . . . and pulled a computer apart and I said, ‘I’m going to show you each of these components. I’m going to put it together for you once. Then I want you to pull it apart and I want you to build it back again.’”

From a Ripple into a Productive Tsunami

But it was not only customers who benefitted from Thane Hayhurst’s determination and drive. The people Hayhurst hired and trained—many of whom have gone on into business for themselves to repeat the cycle or to good-paying jobs in larger firms—also benefitted.

One was Sophorn Pich, a Cambodian refugee who fled the killing fields of the Khmer Rouge for the United States. Another is Hayhurst’s brother, Mark.

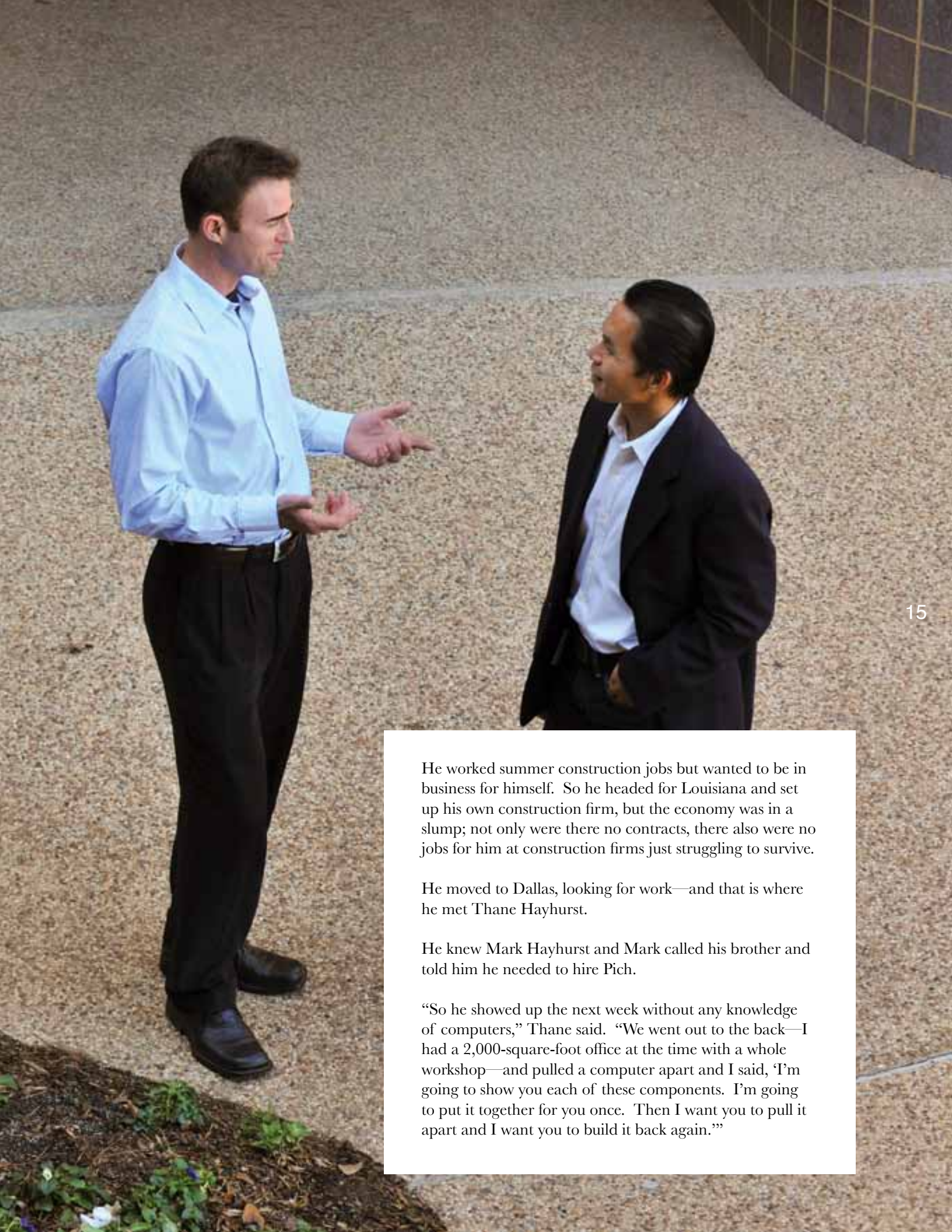
Both of these men likely would have been successful anyway—but they got their launch into the careers they are now in through Thane and Kiwi.

In Pich’s case, the Khmer Rouge forced his family from their Phnom Penh home and into what he calls “no man’s land.” It was a systematic campaign aimed at the educated class in Cambodia—and his father was a telephone engineer. After he taught the rebels what he knew, he disappeared and the family never saw him again. That was in 1977. Sophorn was nine years old.

“I was separated from my family since they took my father away,” Pich said. “And I went to a ‘boy’s ranch.’ They worked me pretty much all day long, and then at nighttime, they would do their presentation, trying to brainwash me, trying to get me to become one of their soldiers.”

Eventually he, his mother, a brother and two sisters made their way to a Red Cross refugee camp in Thailand and from there to Orange, Texas, under sponsorship of a Cambodian family with help from a local church.

Pich had no real schooling before then, but he graduated from high school and spent three years at Abilene Christian—the same university where Hayhurst’s parents met—and finished a degree in civil engineering at Texas A&M University.

A photograph of two men in business attire standing on a paved surface, possibly a sidewalk or plaza. The man on the left is wearing a light blue button-down shirt and dark trousers, gesturing with his hands as he speaks. The man on the right is wearing a dark suit jacket over a white shirt, listening attentively. The background shows a curved wall and some greenery at the bottom left.

He worked summer construction jobs but wanted to be in business for himself. So he headed for Louisiana and set up his own construction firm, but the economy was in a slump; not only were there no contracts, there also were no jobs for him at construction firms just struggling to survive.

He moved to Dallas, looking for work—and that is where he met Thane Hayhurst.

He knew Mark Hayhurst and Mark called his brother and told him he needed to hire Pich.

“So he showed up the next week without any knowledge of computers,” Thane said. “We went out to the back—I had a 2,000-square-foot office at the time with a whole workshop—and pulled a computer apart and I said, ‘I’m going to show you each of these components. I’m going to put it together for you once. Then I want you to pull it apart and I want you to build it back again.’”

Pich was fascinated.

“I stopped looking for a regular civil engineering job and concentrated on learning the computer,” he said.

Hayhurst sent him to professional schools and Pich pushed himself toward learning about routers, servers and networking.

Pich has been at Excel Communications in Dallas for a number of years now, surviving the company’s sale and a bankruptcy and rounds of layoffs. He works with the backbone system—the connection that hooks Excel computers and routers together all across the company’s system.

“He has well exceeded the expertise that I had—probably ten years ago,” Hayhurst said.

But Pich learned more than computers from his boss. He learned customer service.

“I had never really supported anybody before,” Pich said. “He told us to do whatever the customer wants us to do. To make sure that you follow the steps. To make sure that they are satisfied. To make sure to double-check yourself. And maybe the next day to call and double-check to make sure that they were satisfied with the product or just in case they had any questions.”

It is a principle he has applied to his internal customers at Excel.


Mark Hayhurst joined his brother’s business about a year after Pich. He is now in Austin, Texas, at Charles Schwab & Co. as managing director of Market Data Solutions. Thane’s business introduced him to networking technologies, building personal computers from scratch, deploying Windows for Workgroup installations and other skills.

Mark said, “The lessons and experiences I gained from Thane enabled me to become who I am today and where I am today by teaching me the basics of troubleshooting, analytical analysis and management wisdom.”

“What I have to thank Thane for, however, is my reentrance into the computer technology industry in 1994 on the distributed systems side,” Mark said. “I had vowed in 1985 never to work with computers again after working for a short time in the mainframe industry for Unisys/Burroughs straight out of high school.”

Because Thane had given Mark the insights he needed to move from Kiwi to work at Excel, Mark in turn, had the vision he needed to recognize the skills of a part-time consultant for Excel named Eric Fisher, who Mark hired fulltime and promoted to a highly visible position within the organization where Eric shined.

Fisher eventually left Excel and started in business for himself for a while, working with Thane Hayhurst on some contracts before moving back into the corporate world. Fisher is now the Information Security Officer and Manager of Network and Telecommunications for Dave & Buster’s, a restaurant and entertainment company headquartered in Dallas



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with 55 locations in the United States and Canada. But the opportunity he was given through Mark at Excel was the first big break in his career and the second—the position at Dave & Buster’s—was, he says, a direct result of the first. The power and influence of one entrepreneur can be tremendous over an entire career of helping those they encounter to make such key connections, giving them their first big breaks and watching each individual grow from there. The positive ripple effects from one entrepreneur can turn into a productive tsunami across an entire industry.



iTalent Consulting is Born

Thane Hayhurst eventually sold off his Kiwi client list in 1998 to try his hand at corporate America again. Like the first time, it lasted only seven months, but it did expose him for the first time to the IT systems of America's largest corporations. After that stint, his brother Mark called Thane in March 2000 and said, "You're not doing anything. Find me a Cisco engineer."

Thane did and his next business was born—iTalent Consulting.

iTalent provides three basic services:

- Managed Services—where iTalent manages and is fully responsible for an entire implementation for a client.
- Staff Augmentation—where a company supplements its own staff with iTalent's experts for a project. The client's managers manage these contractors on-site rather than iTalent. A project may take a year employing several engineers, or be as short as a week with one person.
- Recruitment—where iTalent recruits potential candidates for companies to fill their fulltime vacancies.

Recruitment is the dominant business line, but Hayhurst emphasizes quality over quantity.

"You don't place a thousand people a year if there are only four of you," Hayhurst said. "It's a very high touch, white gloves, personal business. You're not pushing boxes from one end of the store to another. You spend a lot of time with everybody."

Those he has worked with agree.

"He seems to care more about me than the company," says Braden Lake of Columbus, Ohio, a web applications developer. "I know that probably isn't true, but it feels that way. He makes me feel that I matter more than the bottom line; that I'm more than just a résumé on a piece of paper."

Lake has been looking to move to Texas for three years now to be nearer to his children who live in a small town outside Houston. He's been looking for three years in Dallas, Austin and San Antonio. But not just any job will do.

"There's a lot of companies and there's a lot of jobs and I have received some offers but I want the right company that I can stick around with and I'm hoping that company is the one that Thane is trying to hook me up with," Lake said.

One secret to Hayhurst's success is his stress on finding the right person for the right job, rather than just filling a position.

And then there is this: When a company in Dallas wanted Lake to come in for a personal interview, Hayhurst told him that he could stay at his house if he wanted to save some money, and that he would pick him up from the airport.

"You don't see that kind of service," Lake said.

Lake and his current wife also are concerned about fitting in and meeting people if they do make the move to Dallas.

He said Hayhurst told him, “I have a huge network of friends and connections here that I’d be happy to set you guys up with lunches and that sort of thing.”

Andrea Oehlschlager of Richardson, Texas, now works for Hayhurst in *iTalent*.

She was laid off and out of work for about four months before she met Thane through mutual friends while working on a volunteer housing rehabilitation project in Galveston, Texas, where damage remains from a 2008 hurricane.

She was becoming discouraged because her main priority was to find a career position rather than “just a job.” Hayhurst got her an interview with one of his business partners, but it turned out the job she was looking for was with *iTalent*. She is an account manager and performs some recruiting functions for Hayhurst.

“He’s a great businessman and has now become a personal friend,” Oehlschlager said. “His expertise and advice have been invaluable to me. I am learning and growing and still working in the industry I’ve made my career in for several years.”

In those cases, entrepreneurial success has enabled Hayhurst to help someone find not just a job but the right job with the right company—a win-win for all involved because it restores a job back into the workforce that once was lost.

But neither of those is as dramatic as the story of Donna Gray of Little Elm, Texas.

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Her husband was the primary bread-winner in the family, but his job was shifted to Mexico in November 2008. They struggled, but were able to meet their bills until June 16, 2009. That's when Gray was laid off in a workforce reduction.

One car was repossessed and they were on the verge of losing their home when Hayhurst placed her in a job.

"The mortgage company is now willing to work with us due to my employment," she said. "We now qualify for the Help for Homeowners program. Prior to employment, we did not qualify because even though we had income—unemployment benefits—this did not count as salary."

She saw the job posting on the Internet and sent in a résumé. That was on a Thursday.

"Within hours, Thane contacted me with his customer's requirements. His customer needed someone immediately. I went on a face-to-face interview on Friday. I was told late Friday afternoon that the client wanted to hire me. During this time, Thane checked my references. I received an offer letter on Monday. I went into the office and filled out the employment paperwork on Monday and started Tuesday. It was so quick and easy," she said.

"It was a prayer answered."

She's a network administrator for a company called Media Distribution Solutions, which she says is a great opportunity for her to solidify her existing skills and gain new experience with an unfamiliar operating system.

"I had been working with several other talent firms to no avail," Gray said. "It seemed to me that they would have a job, and I would apply for it. If the customer was not interested, then I would never hear from them again. This is what makes Thane different from others. He explained the job, thought I was a perfect candidate, and even gave me info on how to fix my résumé to look better for future employment if needed."

The new job in November meant that her four-year-old granddaughter, whose mother is disabled and receiving little support, got to have a Christmas. It means that the two children in college and high school will be able to continue on their paths.

She beat out about 75 applicants for the job, thanks to one empowered entrepreneur.

Impact on His Community: Central Dallas Ministries

Put aside business.

Thane's community would be missing something had he been unable to succeed. It would be missing volunteer work on a grand scale.

Hayhurst is a volunteer in his church and in his community. He gives money through Christian Children's Fund to support a child in Africa, and he journeys to Galveston, Texas, to help rehab houses damaged and still unrepaired after Hurricane Ike hit the city in September of 2008.

And then there is Central Dallas Ministries—now a multi-million dollar mission to the less-fortunate in Dallas. It was founded in 1988, and Hayhurst became involved almost immediately after moving to Dallas.

Around 1994, the organization wanted to begin providing computer training.

"We helped them put in eight computers in their job training center," Hayhurst said. "We gave them the computers at cost and we did all of the labor for free."

It is the freedom of being in business for himself that allows Hayhurst to spend the kind of time that serious volunteering required—and to make the decision not to make a profit off the service.

Larry James, now the director of Central Dallas Ministries, recalls first meeting Hayhurst "back in the day when we were basically a food pantry and his church was sort of the supporting organization behind it."

That church reference is important. Much of Hayhurst's life revolves around faith and church.

“It permeates every aspect of my life,” he said simply.

It is one of the things that leads him to donate his time and goods.

James said, “When I first got here, we barely had computers so we bought some computers through Thane because he made us a really good deal on them.”

But Hayhurst was more than the guy who serviced the computers.

“He would volunteer in the food pantry with his friends from church and that sort of thing,” James said. “He was using his business expertise to help a non-profit.”

All this at the time it was just a fledging operation with two or three employees; now there are 125 on the payroll.

And the computer job training center?

“It has gone through several iterations. We now have a technology learning center—The Charlie Mae Ransom Technology Learning Center—on Hall Street that used to be an old liquor store that the Real Estate Council of Dallas gave us in 1998 and helped us renovate,” James said.

There are around 30 platforms in the center with funding from Microsoft and the Department of Housing and Urban Development and a partnership with the Dallas Community College district. There is an onsite professor from El Centro College who teaches classes on Microsoft Office Suite products and some basic computer literacy.

James notes that computer literacy is important in all forms of job training since it is a necessary skill for almost all jobs these days.

It may not be accurate to say that the computer training program would not have happened without Hayhurst. Someone else might have stepped up. But he was in a position to be among the first.

Solutions of North Texas

Hayhurst's latest volunteer passion is Solutions of North Texas, a drug and alcohol rehabilitation program based in Denton, northwest of Dallas and north of Fort Worth.

He was asked to join the board because of his experience and expertise in marketing. And, of course, he has ideas: Improve the corporate image to attract donations from larger and wealthier organizations and individuals because "even if you are doing great work but don't look it, they don't give." He had the logo redesigned at his own expense and is revamping the website.

Scott Wisenbaker is executive director of Solutions and he knows and understands the problems of recovering addicts. He is one himself.

"I've been clean for almost 15 years," Wisenbaker said, interrupting work on a new women's shelter across the street from Texas Women's University in Denton to talk about his organization. "I got clean in 1995."

He was in and out of county jail in Dallas for years for being stoned or drunk. But once he got clean, he began to work with others like him. He also started a small business himself, specializing in delivering high-priority and time-sensitive air freight.

And then in 1999, his wife, Kathy, killed herself while battling her own drug addiction.

"She didn't see any way out so on Thanksgiving Day ten years ago she took her life."

Wisenbaker has seen a pattern among those addicted to drugs and alcohol in the jails and treatment centers he has been visiting over the past 14 years. Once they finish their sentences or their treatment, they go back into the same environment from which they came.

"The problem is that they don't know how to apply the things they've been told to life," he said.

That is where Solutions comes in.

Wisenbaker said, "We really take them by the hand and show them everything from how to cook their own food to how to do their own laundry because some of these grown men and women have never done that, to how to look for a job."

But they have to pay, something they can do on a minimum wage job until they are ready to stand on their own. And that requires a certain level of business experience on his board of directors.



Wisenbaker said, “We really take them by the hand and show them everything from how to cook their own food to how to do their own laundry because some of these grown men and women have never done that, to how to look for a job.”

Wisembaker does not want a board of yes-men or women.

“I had a hard time finding people who really would insert themselves and bring ideas and ways to do things to the table,” he said. “I need to be challenged. I need to be pushed.”

And Thane Hayhurst will do that. It is second nature.

“He has got a lot of great ideas and he doesn’t accept ‘You can’t do that,’ just like I don’t, which is probably the thing I like the most about him,” Wisembaker said. “Even if we don’t agree on everything, his whole concept is, ‘Who says you can’t do that? Sure you can do that.’”

It is, said Wisembaker, the essence of entrepreneurship and why he likes to have entrepreneurs on the board. It is even chaired by one: Angela Walker of Rockwall, Texas, who also is a former addict. She is retired now and works in her husband’s business, Bradford Electrical, but she had a hairstyling business in Dallas for ten years and in Rockwall for 12.

“Entrepreneurs think out of the box,” Wisembaker said. “The very essence of saying, ‘You know what? I’m going to go do this. I can do this for myself and make money at it and be in control of my future and not leave it up to chance with the big companies.’”

Having that mindset on the board works well for Solutions.

Thane Hayhurst also brings his successful business experience to the board.

“It’s natural to me,” Hayhurst said. “How many beds do we have? What’s the maximum revenue that can be generated from those beds? How many beds were filled last month?”

It is important to set up systems to collect the fee residents are supposed to pay, not only for the good of the program but also for the good of the individual. And figuring out how to collect what is owed is what someone in business for himself or herself must do if they are to survive.

Like businesses, most non-profits are small, and they look a lot like entrepreneurial ventures.

“Often more so than others because they’ve got to work on often a shoestring budget and raise money in very creative ways while delivering a great value to people who can’t afford to pay them,” Hayhurst said.

That is the way Solutions started.

Wisembaker eventually remarried and his wife, Leslie, is the operations director of Solutions. Four years ago, she and Wisembaker sold a business they had run to start Solutions. The deal called for payments over several years from the new owner. He failed in less than a year and Wisembaker “got a big goose egg out of that.”

But he and Leslie rolled the dice anyway, confident in their ability to pull it off.

The newest property will be known as Kathy’s House. And as with their other projects, Thane will once again have a strong hand in guiding it to success improving the life and lot of those he encounters.

“Entrepreneurs think out of the box,” Wisenbaker said. “The very essence of saying, ‘You know what? I’m going to go do this. I can do this for myself and make money at it and be in control of my future and not leave it up to chance.’”



Could this Entrepreneur's Impact be Lost?

In the computer industry, the spirit of entrepreneurship is under threat in Texas.

Starting a business is never easy, but it is more difficult when an entrepreneur has to fight his own government.

In Texas, the Legislature has decided to protect a few computer forensics firms run by private investigators with a law so vague that even ordinary computer repair functions might land Thane Hayhurst and others like him in jail or face stunning fines.

Without a private investigator's license, they risk one year in jail and a \$4,000 fine,¹¹ and civil penalties of up to \$10,000 every time they fix a computer.¹² Since 2007, anyone who accesses non-public computer files to gather information about the "causes of events" and the "actions of persons" is deemed by Texas to have conducted an "investigation" and must therefore have a private investigator's license.¹³

Those two phrases could be used to describe virtually all but the most ordinary operations small or large computer businesses perform.

Not only the repair people are at risk. Consumers, according to the state, commit a Class A Misdemeanor (punishable by up to one year in jail and a \$4,000 fine) by knowingly using the services of an unlicensed company to perform an investigation.¹⁴

At specific issue is Chapter 1702 of the Private Securities Act.

"A couple of guys who are private investigators who also do computer forensics decided it would be a good idea to have this law, in my opinion, to keep other people such as myself from being able to do that kind of work," Hayhurst said.

Perhaps a client is suspicious that a spouse is having an affair or an employee is stealing from the company and wants a computer specialist to retrieve deleted e-mails from a company-owned or personal computer.

"Should I be allowed to read those e-mails and determine, oh, yes, this person is definitely stealing money from you or definitely having an affair? No, and I don't want to do that," Hayhurst said.

But deciding which e-mails to restore is a judgment call.

"I'm going to have to scan them to see which ones are related to this particular topic. Therefore I have made a judgment on them. Therefore I have broken the law because I have determined 'the actions of people' simply in the course of doing my job."

Private investigators already are restricted in Texas, and it is both expensive and time-consuming to become one.

An owner or manager must complete either a criminal justice degree or a three-year apprenticeship under a licensed investigator.¹⁵ There is a \$441 fee to apply for the license and a \$416 annual renewal fee. Applicants' fingerprints are filed with the FBI, and they must pass a 200-question written examination and carry \$200,000 in professional liability insurance.

Hayhurst estimates that if the law is strictly followed, perhaps 500 computer people break it daily in Dallas alone, simply in the course of what they would consider normal business. One example of work he and his companies previously did which could now be considered illegal is a complete network audit.

He explains, "Where are the breaches in our security? Where are the bottlenecks in our system? Testing the security levels that each person has—does this one person with this password accidentally have access to the financial data when they are only supposed to have access to the warehouse? That would fall under the category of the 'behavior of people' or the 'cause of events.'"

And someone accidentally ending up in the wrong area because of the wrong security setting and accidentally knocking an entire system down has happened often.

"But a third-party company like my firm can no longer provide that service unless they have a private investigator on the payroll," Hayhurst said.

Here is another example of how this law can be broken nearly every day: Your computer—in a business or someone's home—is working slowly because there is spyware on the machine. If it is at a corporation, the spyware may have gotten there either because the firewall was not working properly or perhaps because somebody's hacked in. In both cases, knowing the answer is critically important.

"My brother, Mark, once had to solve a case at a financial institution where some guy from Malaysia hacked in and took a bunch of computers out in their data center. He traced the guy back and I think he was arrested over there," Hayhurst said.

The company computer person could reconfigure the firewall but could not perform the trace. But Mark could. He traced the hacker back from the port on the server.

“You do that as part of the course of what you do,” Hayhurst said. “But these are just the kinds of everyday computer repair work that runs afoul of the law and could land someone like me in jail. It is not the government’s place to protect private eyes from competition by passing a law that could needlessly shut down critically important businesses like mine.”

Hayhurst had a client who wanted to monitor websites used by his sales people.

“We wouldn’t be able to monitor that for him,” Hayhurst said. “He would have to monitor it himself—the CEO of a company—or have an employee monitor it. But who in the world would want somebody in the office knowing all of that?”

That is why companies turn to outside sources for such services.

Hayhurst said, “We could help him set it up in the first place, but that would be the end of our services, which may not be what the customer wants.”

Remember that Hayhurst built his business by fanatical devotion to customer service with the goal of never losing a customer once he found one. How would the Texas law have affected that strategy if it was enforced when Thane was getting started?

“I would have run the risk of not being able to perform certain services, which means they would have had to get somebody else to come in, and then I might have lost that client because they needed to work with somebody who could do everything they needed,” Hayhurst said. “It’s my personal opinion that if you own the computers, you should be able to choose who you want to come and work on them yourself.”

Hayhurst believes that is not the government’s decision to make.

Conclusion

Small businesses are the growth and job generators of the American economy.

Expanded business lines, new ventures and new jobs have to start somewhere and they often start with some man or woman who is willing to lay it all on the line, risking his or her own time and money.

And if you saw that off

“You saw that off, I wouldn’t be here,” said Sophorn Pich. “I wouldn’t be working on computers. I wouldn’t have been able to bring myself all the way to the backbone of the computer. I had to start somewhere to get my interest, my knowledge. Without the basic knowledge I wouldn’t be doing computer work.”

Ask virtually any elected or appointed office holder and he or she will tell you that successful small businesses are the driving force of the U.S. economy. It’s the new mantra.

“[If] You saw [entrepreneurship] off, I wouldn’t be here,” said Sophorn Pich. “I wouldn’t be working on computers. . . . I had to start somewhere to get my interest, my knowledge. Without the basic knowledge I wouldn’t be doing computer work.”



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“Small Businesses create most of the nation’s new jobs, and they bring dynamic ideas, innovative services, and new products to the marketplace. They account for a majority of the employers within the State of Texas, and are a driving force behind our State’s economy. New business creation is vital to our ability to increase the gross state product, state personal income, and total state employment,” says Gov. Rick Perry’s Small Business Advocate website.¹⁶

Its mission: “. . . to bridge the gaps that inhibit entrepreneurial growth, and to foster the development of Small Businesses within the State of Texas.”¹⁷

Texas is not alone in recognizing this¹⁸ and research has demonstrated how businesses such as those started by Thane Hayhurst contribute jobs, innovation and growing tax revenue.¹⁹

But the benefits are not just pure business. Entrepreneurs also contribute to the social well-being of their communities through their own volunteer efforts and by making it possible for others to also volunteer. Research on entrepreneurship points to a clear relationship among entrepreneurs, social capital and economic value.²⁰ As the prime creators of new jobs in the U.S. economy, entrepreneurs—by modeling successful business practices—encourage others to take those same risks.

And the cycle continues.

Consider also the wide-ranging social effects of prominent entrepreneurs such as Bill Gates and others who not only changed the fabric of society through their efforts but who also set up grantmaking foundations as a result of their success that make a great impact on their cities, states, the nation and even the world.

But it only works if entrepreneurs are unhindered by needless or restrictive governmental regulation.

Not all regulation is bad, but it turns toxic, however, when its purpose is merely the protection of a few industry insiders who are seeking to stifle competition by making it more difficult for others to enter that trade.²¹ It is already difficult enough to go into business. Other Institute for Justice reports demonstrate that the red tape entrepreneurs must fight through just to start a business, let alone sustain one, is overwhelming to even the savviest individuals, never mind those with little experience and few resources.²²

Thane Hayhurst is one individual. But multiplied by thousands and even millions, it is efforts like his that keep the business climate in America healthy.

In Thane's home office in North Dallas there is a copy of *1984* by George Orwell. When considering that book in the context of the Big Brother regulatory regime being forced on him under the Private Securities Act, Hayhurst said, "I wouldn't call it a significant book yet, other than it is written about the year I moved away from home and started my journey into adulthood. I'm sure glad we aren't in such a repressive society as is depicted, although laws like Chapter 1702 of the Private Securities Act is one step in the wrong direction."

Government's proper role is to protect the rights of men and women like Hayhurst who seek to develop business and jobs—not erect unnecessary barriers to forestall their efforts.

At the local, state and federal level, government needs to unleash the power of one entrepreneur.

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At the local, state and federal level, government needs to unleash the power of one entrepreneur.



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He retired from the *Fort Worth Star-Telegram* in April 2009 after 23 years at the newspaper. At retirement, he was vice president and editorial page editor. He took on this writing project almost immediately—before returning to journalism as executive editor of *Fort Worth, Texas* magazine in December 2009.

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The Institute for Justice is a non-profit, public interest law firm that litigates to secure economic liberty, school choice, private property rights, freedom of speech and other vital individual liberties and to restore constitutional limits on the power of government. Founded in 1991, IJ is the nation's only libertarian public interest law firm, pursuing cutting-edge litigation in the courts of law and in the court of public opinion on behalf of individuals whose most basic rights are denied by the government.



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