

## Serial Entrepreneurship

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Founding and growing a successful company is no easy task, and it defies the odds of startup failure rates. While a Harvard Business School research paper found that a venture-capital-backed entrepreneur who succeeds in a venture has a 30% chance of succeeding in his next venture (as compared to an 18% chance of success by first time entrepreneurs) the odds are obviously still against you. When I see a group that has succeeded twice, my curiosity is peaked to learn about what they are doing right.

Most Mississippians are familiar with the Newcomb family who founded McAllister's Deli. Don Newcomb, a dentist turned entrepreneur, opened a small deli called Checquers in 1989 with his dental assistant and office manager, Debra Bryson. In November 1992, they renamed Checquers to McAlister's Deli when they opened a second location in Hattiesburg. By the end of 1995, there were five locations in Mississippi and Alabama and they began franchising the company. Don's son Chris joined the group early on and was instrumental in the company's growth which landed them on Inc.'s 500 fastest growing companies in back to back years. In 1999, they sold their interest in the company to outside investors and in 2001; they sold their rights in the final McAlister's corporate stores they owned.

After a brief stint operating Moe's Southwest Grille's franchises, the Father and son Newcomb team and Bryson started a new concept called Newk's Express Café in 2004. The company is on the fast track again with 30 stores in seven states and 15-20 openings scheduled for 2011. Despite a challenging economy, they are completing their best year so far with over \$55 million in system wide sales. I recently visited Chris Newcomb who is CEO of Newk's to learn about what they are doing right.

I was struck by the intentionality in which they planned their new business and how they had taken all of their business experience to purposely build a great company from the ground up. In practical terms, they were clear in defining their mission and their values. Like the world famous customer service organization Ritz Carlton, all Newk's employees carry a card with them as a part of their uniform that they call a "Culture Card" which succinctly states the purpose and beliefs of the organization. Before each shift, managers review parts of the Culture Card with the team. According to Chris, "we bring every new employee in for training at the headquarters to learn about the mission, vision, and values of the organization. Building a great culture is very important to us."

Newk's employees all have a development plan for their success and the company invests heavily in employee development. Because of the quality of people that work for the company and the training they receive, Newk's is able to offer above normal employee pay while having an overall lower labor cost. Interestingly, all employees of Newk's are referred to as "partners" which is symbolic of how they have chosen to treat each other with respect.

Chris also shared with me the program they have called "Partners of the Roundtable" where they quarterly bring in "partners" from individual restaurants who have been chosen because of their outstanding service to participate in roundtable discussions about how to make the business better.

These idea sessions are invaluable to spur innovation and growth in an organization. In addition, one of the greatest ways to demonstrate respect for someone is to listen to what they have to say.

Chris is an operator at heart while his dad is a consummate entrepreneur and visionary. The two of them along with Bryson have made a great team. Chris shared, "I really credit my Dad for teaching me about being a leader. He has always modeled for me the value of relationships and people." The founders also decided to bring in the executive talent early on to lay the foundation for success. The company has built a world-class management team that is poised to put the company on the fast track.

I am also encouraged by entrepreneurs who are willing to take the risk to build great companies, and to see Mississippi based companies that are having an impact around the country. I am sure that the over one thousand employees and numerous franchisee owners are glad that the Newcomb's and Bryson have decided to pursue the path of serial entrepreneurship and defy the odds to have a great round two.

**Quick Facts:**

**Chris Newcomb, CEO of Newk's Express Café**

*First Job:* bagging groceries at the Liberty Grocery in Oxford, MS.

*Favorite Business Books:* *Tipping Point* (Malcolm Gladwell); *Execution* (Larry Bossidy)

*Proudest Moment as an Entrepreneur:* "Whenever I walk into a Newk's and see our partners taking great care of our customers, I am proud of what our team is doing."

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