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ENTREPRENEURSHIP: 11-year-old becomes business savvy

Boy earns big bucks selling lemonade

By Pam Louwagie
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MINNEAPOLIS - Ethan Esparza has learned a few things about business in his 11 years. Location means a ton. Offer a good product at a good price. Use incentives such as free cookies.

And it pays to look good. With a lemonade stand outside his grandparents' house in Minneapolis, which is just up the street from the bustling intersection of 50th Street and France Avenue South, Ethan estimates he has pulled in about \$1,500 in three years of hawking the sweet drink.

And he has done almost all of it wearing a suit and tie. "Sometimes (customers) say I look like an entrepreneur," said Esparza, whose family lives in Eden Prairie. "Or the next Bill Gates."

The beginning

It started three years ago when Esparza's parents were dropping him off to stay with his grandparents. He had just finished a stint doing door-to-door preaching with his family, which is Jehovah's Witness. It was a Saturday and there was a crowd milling about at the Edina Art Fair. His mother helped him set up a lemonade stand to pass the time.

He kept wearing the suit and tie he'd donned for the religious outreach and made \$120 that weekend. "He loved it. He loved the attention, the people talking to him. He liked the fact that he was making money," said his mom, Sharon Esparza.

Since then, he's turned it into a frequent enterprise, now open for business on Saturday afternoons and Tuesday evenings. Typically, Ethan makes about \$40 a day, he said, most of it coming from tips. Once, when he didn't have his suit and wore jeans and a T-shirt, he got only \$5. He buys his own supplies but spends most of his profits: a bike, a Gameboy handheld video game system, comic books and baseball cards.

His parents are steering him to put some in the bank now. His success in a suit has attracted attention from national and local television and radio stations.

When he got a call from the staff for TV night show host Jay Leno, Sharon Esparza said she called the Kenneth Cole clothing company and asked if they would like to outfit her son for the show. They sent him two pairs of shoes right away and a suit later. The Leno show didn't materialize, but Ethan plans to wear the suit for other media appearances. The lemonade stand may turn into spin-off enterprises, too. He's started to write a how-to book titled "Money From Lemons."

His mother is trying to contact the makers of Country Time Lemonade, his preferred brand, to see if they want to do a commercial. But most of Ethan's working days involve dressing up neatly, sitting in the summer heat, waving constantly to customers and pouring a lot of sticky lemonade.

A regular day

Tuesday, customers weren't rushing in, but he was undeterred. Business comes in spurts, he said. "The bad thing about my business is that the bees come to it," he said, trying to shoo them from the lemonade. When his first customer strolled up the sidewalk, Ethan straightened up.

The man handed over 50 cents. "A tip for the bartender," he said. Others left him a dollar. "I think it's fabulous," says customer Heidi Streed. "It's entrepreneurial ... I always give him a couple quarters more. He's great. He's sharply dressed."

Ethan has an instinct for keeping customers coming, too. When some other kids opened up a lemonade stand down the street once, Ethan quickly thought of a way to keep them coming to his stand. He bought some sandwich cookies and gave them away to customers. He's shortened his hours this month, with the daylight fading earlier.

When he starts sixth grade at Oak Point Intermediate School in Eden Prairie in the fall, he'll sell hot chocolate at the same location when he can. Soon, though, he may be giving up the business altogether. Next summer he'll have to find another way to make money. "I'm turning 12 and I don't think a 12-year-old would have a lemonade stand," he said. "I would almost be a teenager."