

Free Press

Magic words: Outwork everyone, over-deliver

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BY TOM WALSH

Earvin (Magic) Johnson, pride of Lansing Everett High School, basketball legend with the Michigan State Spartans and Los Angeles Lakers and now business tycoon, wants to build a movie theater complex in Detroit -- and perhaps buy and grow a couple Michigan businesses with a new \$500-million private equity fund he's about to launch.

Johnson, 47, already owns four Starbucks coffee shops in Detroit and one in East Lansing, but that's just a small portion of his growing empire of 110 Starbucks, six movie theater complexes, 31 Burger King restaurants, a dozen 24-Hour Fitness centers and nearly \$1 billion worth of real estate projects in urban markets across the country.

"I tried to put a theater in Detroit when Dennis Archer was mayor," Johnson told me Thursday, "but there was confusion over where to put the casino location then. I've been talking to Mayor Kilpatrick; he'd like to see a cineplex downtown."

Johnson stopped in Detroit on Thursday to share his entrepreneurship story with the first class of students at Bizdom U, the two-year boot camp program for budding urban entrepreneurs created by Dan Gilbert, founder of Livonia-based Quicken Loans and Rock Financial and owner of the Cleveland Cavaliers basketball team.

Johnson quickly disabused the 11 Bizdom U students of the notion that his post-athletic business career was easy because he was already rich and famous. Of the first 10 business people he approached about partnering with him, he said, "all 10 wanted my autograph, but none would invest any money with me. They all thought I was a dumb jock."

And the Magic man admitted that his first business venture was a flop. "It was a sports paraphernalia store in L.A.," he said. "I put in \$100,000, and I was the owner, the buyer, everything. I went out and bought 10 of this, 50 of that, came back and put it all in the store, and nothing sold for a month.

"I had gone out and bought everything that I liked," he said, "not what the customers liked." It was a \$100,000 lesson, he said, to always make his business about the customer and to do good research beforehand.

His later businesses have been successful, he said, because he chose good partners, did diligent research, hired good people and worked like crazy.

"Business is about outworking everybody else," Johnson said. "I hire no clock-watchers.

"To be successful, you must over-deliver, because in today's business world just delivering isn't good enough."

When a student asked him if he harbors dreams of owning a pro basketball team -- he currently has a 5% stake in the Lakers -- Johnson said he once did.

"But now I love the wheeling and dealing, touching communities, putting 25,000 minorities to work in urban America. That's better than owning a team," he said. "For now."

Bizdom U, currently located at Wayne State University but not affiliated with the university, is now recruiting a second class of 20 students for its two-year program to start this fall. To apply or learn more, visit [www.bizdom.com](http://www.bizdom.com).

Caption: Magic Johnson visits Bizdom U



Caption: Earvin (Magic) Johnson gets a kick out of a picture of himself after speaking to a Bizdom U class at Wayne State University on Thursday.

