



The section on Attorney Sheila Murthy is highlighted below.

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6 secrets of successful immigrants

Many entrepreneurial newcomers to the United States prosper by exploiting opportunities missed by native-born Americans. Here's how three made it here.

By [Marilyn Lewis](#)

Ever wonder how some immigrants who arrive in this country with nothing can work their way into the middle class in one generation?

Immigrant entrepreneurs are the fastest-growing segment of small-business owners today, says a [report](#) on the future of small business by Intuit and the Palo Alto, Calif., Institute for the Future. That's partly because immigrants have few options: U.S. jobs usually go to those fluent in the English language and American culture.

Yet immigrants also have gifts that prime them for success:

- They see this country with fresh eyes, spotting chances others miss. Many find that though the U.S. playing field is not entirely level, it still is possible to start from scratch and wind up owning a home and sending children to college.
- Many possess excellent free university educations from countries where they could not put their training to use because of high unemployment, corruption or class or ethnic barriers.
- They rely on family and on huge amounts of hard work, are averse to debt and use informal networks of relatives and acquaintances over banks and lawyers to help them exploit opportunities.
- Some credit poverty with training them in frugality and freeing them from aspirations for an expensive home, car and lifestyle.

Every month in 2005, about 350 of every 100,000 immigrants started businesses -- compared with 280 native-born Americans, according to the Ewing Marion Kauffman Foundation [Index of Entrepreneurial Activity](#). Many fail, but others hang on or try again, eventually launching a better life.

Here are six lessons gleaned from the lives of three immigrant entrepreneurs:

Lesson 1: Reinvent yourself

Kamal Dergham, 47, arrived in the U.S. in 1979 to study mechanical engineering and eventually trained to trouble-shoot commercial air-conditioning systems. Through seven years of study he worked long hours for low wages at a Lebanese fast-food restaurant. He held every job, from cook to dishwasher to cashier, learning the business inside and out.

In 1989, after many difficulties, his big break came, not in his field but when a relative abandoned a failing restaurant, turning over the keys to Dergham at no cost.



Kamal Dergham arrived in the U.S. in 1979 and trained as a mechanical engineer until he saw an opportunity in a relative's failed restaurant. For six months, Dergham made no money, only friends. Standing outside the restaurant, he chatted with merchants, strangers and passing children, a few of whom eventually ventured inside to try "American food with a Lebanese humbleness."

Today his Pita Delite restaurant chain, based in Greensboro, N.C., has six locations, three of them franchises.

Dergham's refusal to be defined by training or tradition is typical of successful immigrant entrepreneurs, says Carolyn Ockels, a partner in Bay Area market research company Emergent Research. "Don't define yourself narrowly," advises Ockels, pointing to her manicurist, a lawyer in Vietnam who launched a successful chain of nail salons when thwarted by a lack of credentials and language skills.

Lesson 2: Take a chance

Immigrants are risk-takers by definition. Like Dergham, "people who immigrate generally are more achievement-oriented," says Abdul Rasheed, professor of strategic management and international business at the University of Texas at Arlington. "That's why they are here in the first place."

Without money for restaurant food supplies, Dergham, his wife, mother, father and younger brother cooked each day's menu from supplies on hand, using the day's meager receipts to buy for the next day. They shared a two-bedroom apartment, crowded by American standards but roomy to Dergham, in whose childhood home in Lebanon six children had slept "head to tail" in three beds.

He worked 13-hour days and six-day weeks: "Pita Delite was my boss. I did not feel like I owned the business. I feel like I'm working for it," he says.

Summoning strength for sacrifices typifies self-made millionaires, says Alan Lavine. He and Gail Liberman wrote ["Rags to Riches: Motivating Stories of How Ordinary People Achieved Extraordinary Wealth!"](#) He tells of Lisa Renshaw, who founded her multimillion-dollar Penn Parking at age 21 by buying a parking garage and living in it for three years while growing the business.

"In developing economies, you try things because you don't have a choice," says Ockels. "The failure rate might be higher in those economies, but there is more small-business generation."

Lesson 3: Work, work, work

Sheela Murthy heads a 60-person law firm near Baltimore and grosses millions of dollars a year, enabling her to indulge her greatest pleasure, charitable giving. She arrived from India in 1985, dead broke and 24. She had, however, a secret weapon: her willingness to work long hours.

"I can work 18 hours a day and really turn it out," she says. "I am very ambitious."

In the U.S., hard work produces "immediate results," unlike back home in her day where, she says, no one -- least of all a woman -- could get established without connections. (Intuit's study finds immigrant women start businesses at a rate almost twice that of native-born American women.)

Murthy came from a middle-class family, but there was no money for indulgences. She worked full time while attending a free government university and law school. Stellar performance in an international competition propelled her into a Harvard Law School graduate program. She worked full time as a campus security guard while studying and saving.

Lesson 4: Fill a void

Murthy's rise exemplifies the tendency of immigrants to spot and fill unmet needs, particularly in their own communities. Murthy's Harvard degree immediately gained her a \$70,000 job as a corporate lawyer, but she hated the atmosphere. She needed to know she was helping people. Searching for a specialty, she recalled the poor job her own immigration lawyer had done. Other newcomers, she realized, needed trustworthy help with complex American immigration laws.

Nine years after arriving, she went solo. The pool of clients in Baltimore was limited, but her volunteer column on immigration law for a nonprofit newsletter generated a huge response, telling her that the Internet might reach new clients everywhere.

Today Murthy, 45, serves corporations, nonprofits, small businesses and individuals all over the world and continues volunteering advice through her popular [Web site](#), [newsletter](#) and [online chats](#). She says her foundation gives \$100,000 to \$200,000 each year to charity.

Lesson 5: Network with others like yourself

Anatoly was 21 in 1995 when he left Russia for business school in America. It was a big leap: He had no money, and his student visa's terms forbade him from taking a job. But, in the post-perestroika turmoil, Russians were desperate for Western cars and tools. Before he left he distributed his e-mail address and cell-phone number far and wide, telling people, "Make sure you guys call me first if you need anything, if you need nice SUVs -- *anything*."

He financed two MBAs -- in international business and information technology -- by filling orders from friends, acquaintances and strangers, marking up cars \$1,500 or \$2,000. (Lest his exports get him into immigration trouble, he agreed to be interviewed using only his first name.) Like Murthy and Dergham, he spotted a void and filled it.

Immigrants without access to local language, capital or cultural acumen turn to networks of their countrymen for training, financing, advice and customers. Surprising trust develops. Anatoly once received a phone call from a Russian businessman living in Turkey whose friend in Russia had purchased a car from Anatoly. The stranger ordered a white Chrysler Town & Country minivan and immediately wired \$32,000 in cash to Anatoly's bank account.

Lesson 6: Despise debt, scrimp and save

People who have witnessed economic catastrophe firsthand tend to squirrel away money. "When the rainy day comes, which happens more often overseas than here, you have only yourself to rely on," says Anatoly. Like Dergham and Murthy, he is a fanatical saver.

Now 32, Anatoly has finished school, gotten a green card and married a Russian engineer. Recently, they became parents. He works at a nonprofit, designing complex accounting and administration systems. He makes \$51,000 a year, yet he estimates he saves at least 40% before taxes. His wife can't yet work -- she's waiting impatiently for a green card. Still, they bought a house last year, just five years after he began his job, using a down payment earned partly from reselling garage-sale finds on eBay.

"I am fortunate to have a wife who is very disciplined," he says. "She . . . is even more than me into being debt-free." Their new goal: a duplex rental property.

Dergham says he has capable American friends whose success is undermined by spending habits: "They make half of what I make but live 10 times better than I do."

Starting from scratch is tough anywhere, yet it can be done. "You must be your own boss to make money," Dergham says, "and this country gives a great opportunity. There is no country in the world like that."

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