

# Best Advice for Starting a Business After 50

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**7 Generation Games designs and develops computer games to teach math to kids age 8 to 14, particularly Native American and Spanish-speaking students. | Credit: 7 Generation Games**

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Early in her career, AnnMaria De Mars, 64, was a statistics professor at Pepperdine University in Malibu, California, but she's had the entrepreneurial itch for decades. She launched the first of her four businesses when she was in her 20s, one in her 40s and two after 50.

These days, De Mars — who has an MBA, an M.A. and a Ph.D. and lives in Santa Monica, California — is president and co-founder of [7 Generation Games](https://www.7generationgames.com/) (<https://www.7generationgames.com/>), which designs and develops computer games to teach math to kids age 8 to 14, particularly Native American and Spanish-speaking students.

De Mars says the name comes from the Iroquois seventh generation philosophy that "that when you make a decision, you should look at how it's going to affect your grandchildren, and their children and their children's children."

## Gold-Medal Athlete

She's no slouch outside of the entrepreneurial world, either. When De Mars was in her 20s, she was the first American to win a gold medal at the World Judo Championships, in 1984. She's now on the California State Athletic Commission. De Mars has also taught

math to eighth graders and at six universities.

One of her four children is [Ronda "Rowdy" Rousey](https://www.wwe.com/superstars/ronda-rousey) (<https://www.wwe.com/superstars/ronda-rousey>), the first American female to earn an Olympic medal in judo, a bronze in the Beijing Games in 2008; De Mars was her coach. Rousey went on to win the Ultimate Fighting Championship, a mixed martial arts series of fights, and is now a professional wrestler and actor.

Next Avenue chatted with De Mars to hear her advice on starting and running a business, especially after 50. Following are edited highlights of that conversation:

## On Starting a Business

**Next Avenue: You've been entrepreneur for decades. What do you like about it?**

**AnnMaria De Mars:** I like that I can make the decisions, because I am very opinionated and I have very strong values about certain things. If you have very strong convictions about something, you can follow those convictions. If you're working for someone else, you don't always have that freedom.

**What *don't* you like about being an entrepreneur?**

The thing I don't like is that I have to make a payroll every two weeks, and if there's not enough money in the bank, that's coming out of my savings or I have to lay people off. And I never want to lay people off.

All the people we've hired (at 7 Generation Games) are good or they wouldn't be working here. And most of them have worked here a long time. To replace those people is not an easy feat.

**You've founded or co-founded four companies. Can you tell me about your entrepreneurial career path?**



When I was in graduate school, I ended up doing consulting in statistics because I specialized in applied statistics for my doctorate. My late husband Ron and I started a company called R and R Consulting; I would do the analysis part and he would help with the graphic design stuff.

Then, I became a professor, and my husband was in an accident. After five years, he passed away and I ended up moving back to California.

## Finding Your Niche

### You co-founded your next business in your mid 40s in the early 2000s. Can you talk about that?

This friend Eric who lived on the Spirit Lake Nation — a reservation in the center of North Dakota — and I founded [Spirit Lake Consulting](http://www.spiritlakeconsulting.com/) (<http://www.spiritlakeconsulting.com/>) . We sold what I call "slices of the internet." At the time, half the country didn't have internet access. So, we would go to, say, the American Diabetes Association who wanted to distribute information on diabetes and I'd take information from the internet and give it to people (at the reservation) on CDs.

When more people got the internet, we transitioned to doing online and onsite training. Our niche was very rural communities.

At one point, we were the largest private employer on the reservation and we kickstarted the careers of a lot of young people who went on to be successful. That was fantastic.

Then Eric was diagnosed with cancer and was told he had five years to live. He said, "Look, if I only have five years left, I want to spend it with my kids and my grandkids and doing powwows and not making more money."

So, we split up the company and I took the software contracts and Eric took the training contracts.

### And that became your next company?

Right. I called it [The Julia Group](https://www.thejuliagroup.com/) (<https://www.thejuliagroup.com/>) , after my daughter, and I did a lot of customized software for companies of

all sizes. Our tagline was: "If it touches a number, we do it."

It paid well and we wrote a lot of grants for clients for good things like providing vocational rehabilitation on the reservation.

### Then what?

Eric and I went to D.C. to analyze the National Indian Education Study and we saw that the more (Indian) kids learned their language and culture in school, the worst they did in math.

## Innovation Inspiration

Eric looked at me and said: "There's a finite number of hours in the school day and if you take some out to learn Dakota history, language and culture, there's that many less hours in the day for learning math."

We're going back to the airport, and he turns to me, and says: "I am *not* accepting that my kids and my grandkids will either learn math or learn their culture. You have to do something."

Almost 40 years before, I was in graduate school and was going to do my dissertation on using games to teach math. Here we are almost 40 years later, and I said to Eric, "Well, I always had this idea about making games to teach math."

## Turning an Idea into a Business

### How did you turn that idea into the current business you co-founded, 7 Generation Games?

I went to some tech meetups and pitched some investors and in 2012 started the games business as a side hustle.

We did one game; it was super buggy. But we learned. And we did two things that made a huge difference.

### What were they?

One was, we applied for a U.S. Department of Agriculture rural youth development grant and got about

\$80,000 to develop a game and test it.

I went to a reservation and talked one of the schools there into being the control group and the other into being the intervention group. I said: "Can I replace math class with a game three days a week?" The superintendent said: "The math scores here are low. It can only help."

What we found was the math scores went up 30% for the kids who played the games three times a week over 10 weeks.

### **What was the other smart thing you did?**

We got into an edtech startup accelerator (a group that advises entrepreneurs) in Salt Lake City. They were super helpful. And it was funny because I was old enough to be the mom of everybody in that accelerator.

## **Making Math Relevant**

### **What is it about a game combining culture with math skills that helps kids improve their abilities at math?**

There are two things.

One is, it makes it relevant to them. Often, math — and I say this as someone who's taught math for middle school students all the way up to doctoral students — is taught very disembodied. Kids don't often see that math has anything to do with their life, their history, their culture.

When Eric and I were going to a meeting at a school on the reservation one time, we passed one of his grandchildren. And this little boy looks up at Eric and says, "Papa, I don't need math because I'm an Indian."

And Eric looks down at him and says, "My boy, this is a harsh environment where we live. And getting through these winters is not an easy thing. Our ancestors had to calculate how many buffalo they needed to kill because they'd have to cart that meat. And they had to figure out how long will that amount last based on how much the average person eats and whether that person is an adult or a child. That's kind of an equation."

### **What's the other thing about games that improves**

### **math skills?**

That the games are just fun.

## **Advice for 50+ Entrepreneurs**

### **Now, I'd like you to share your advice: What's should people over 50 know before starting a business?**

To be an entrepreneur, you have to have a sense of optimism and be able to power through a thousand No's. We are raising financing now and probably get sixty or a hundred No's from investors for every Yes we get.

If you're founding a tech company, expect that lots of people will overlook you. If you're raising funds, it's always hard, but it's exponentially harder if you don't fit that pattern of young tech entrepreneurs.

## **Advantages of Age**

### **You started two businesses after 50 and two before 50. What are the advantages in launching a business in midlife versus earlier?**

For me, there were two major advantages.

One just relates to experience. I made a lot of stupid mistakes early on, so I didn't make them later.

The other advantage for me, and I think this one is very much underrated: My kids were grown. I had four children and when they were little, I had to take care of them and worry about supporting them.

The first two years with 7 Generation Games, both my husband and I went without a paycheck, and we went from making six figures each writing software to making \$0. We couldn't have afforded that when the kids were little. Those suckers are expensive, you know?

## **A Bigger Network**

## **Any other advantages?**

One thing that is a benefit if you're older is you have connections you didn't have when you were 25.

For 7 Generation Games, we've done three Kickstarters (fundraising exercises in which ordinary people donate cash to promising startups, typically in exchange for a copy of the product developed with the donations) and we're in the middle of a crowdequity raise (in which people agree to finance new companies in exchange for an ownership stake). We have done a couple of seed rounds (early-stage investments by professional investors). With every one of those, I opened up my phone, went through every contact and emailed everybody I knew.

So, there's those connections — whether it's getting your first customers or getting your investors.

## **Challenges for 50+ Entrepreneurs**

### **Are there particular challenges starting a business over 50?**

Well, I think the same challenge that you deal with when you're 25: It sucks up your life, right? Anything else you thought you were going to do, you're not going to do very much of it.

I was the world judo champion, I coached judo. I teach judo once a week now.

My daughter Ronda travels a lot and sometimes says, "Mom, can you come to, you know, Rhode Island, with me?" And I can't because I have meetings like the White House Summit on Indian Education.

You're going to miss time with your grandkids, which is something you don't think about when you're 25 because you don't have any.

### **You recommend starting a business on the side while you have a full-time job. Why?**

You're going to be less stressed. And you've got a paycheck coming in.

If you want to do a consulting thing on the side, see if you could do it after hours, come into work earlier,

whatever. Do it on your lunch hour.

Start with a side hustle and see if this is really what you want to do.

## **Be Patient With a New Business**

### **What is a big mistake people make when starting a business, especially after 50?**

People are often not prepared for how long it takes to get your company off the ground.

With Spirit Lake Consulting, for the first 22 months, we had about \$0 coming in. It took us a couple of years to get anywhere close to the paychecks that we had before we started.

### **What's your advice on finding a team to help you run the business?**

The first person I hired was an accountant. It's not that I can't do my taxes, but I hate doing taxes and I do business in multiple states. So, I'd say the very first thing you should do is get an accountant. Depending on your business, you may need an attorney, you may not.

## **Build a Good Team**

I think for a software business, they always say every business needs a hacker, a hipster and a hustler. The hacker is the person making the software. The hipster is the person doing the design. And the hustler's the person out there getting business.

### **What about getting someone to help with social media marketing?**

I don't think so. First of all, there's a lot of scam artists out there. Before having somebody do social media marketing for you, I would look very closely at their qualifications. A lot of these people oversell themselves.

We've tried some of those people and it was not very successful for us. Now we do it on our own and probably should do more of it. But there's only so many hours in a day.

## Does Social Media Work?

### What do you think about social media for small businesses?

For the business that we have now, I haven't found paid ads on Facebook or paid Google ads to be very effective.

What I have found to be useful — and it takes a long time and it's a lot of work — is building a following where you provide value for years. I did a blog on statistics and my blog used to get one and a half million visitors a year.

I think you need to work at your social media following, just like you need to work at anything else. This idea that you're going to do one viral tweet and people are going to buy your product, that's just nonsense.

Social media might be good for certain things — if you're selling makeup or whatever — but to be successful, a small business needs to be grown organically.

## Dealing with Risk

### How can you reduce risks when starting a business?

I very strongly suggest, and it will keep you from losing sleep at night — well, you'll lose *less* sleep at night — is doing something we did when we founded 7 Generation Games. My co-founders and I came up with how much money we could each afford to lose and decided we could each put in \$50,000.

So, I might be stressing, but I think, 'Okay, I'm only going to be out \$50,000 max at the end of this if I decide to cut my losses and run.'

Decide how much can you afford to lose, how long can you afford to do this at no pay, how comfortable you feel with risk, how much money you want to owe. You make those decisions in advance and then you just go forward.

## The Expedience of Experience

### Any advice for starting a business after 50 in a different line of work than what you've been doing?

If you haven't done this (type of business) as a job, go get a job from somebody doing it. If you want to open a pet store, go work at a pet store. If you want to start a consulting company, go work at a consulting company.

You're going to make a bunch of mistakes. You may as well make them knowing you were being paid by somebody else.

### What's a mistake you made as an entrepreneur that you'd want to say: 'Don't do what I did?'

One that we made, and I think a lot of people make with small companies, we felt we needed better sales, so we hired a sales guy from one of the big education publishers. We paid him a fair amount of money and gave him equity. And he sold almost nothing.

We were talking to somebody with a microbrewery and telling them the story, and he interrupted and said, "And he sold almost nothing, right? We did the same thing." They hired somebody from one of the big beer companies.

The mistake you make is you think that if somebody's been very successful in this big company selling whatever your thing is, they're going to be really successful for you. But that person is used to having a hundred-million-dollar marketing budget behind them.

Look for somebody who has marketing expertise for a small company, not for a big company, because it's a very different thing.