

## Entrepreneur Profile

### MICHAEL CHAPUT

#### CEO AND FOUNDER, ENDSIGHT

**What it does:** Outsourced IT management for small businesses.

**HQ:** Berkeley.

**2008 revenue:** \$5.2 million.

**Number of employees:** 34.

**Year founded:** 2004.

**Source of startup capital:** Self-funded.

**Background:** Graduated from Michigan State University with a double major in electrical and computer engineering.

Worked for Texas Instruments out of college. Active student in the Berkeley/Columbia Executive MBA program.

**Age:** 34.

**Residence:** Alamo.

**Web site:** endsight.net



#### Big picture

**Reason for starting business:** I have three business partners and we all jointly saw a couple opportunities in 2004. We had experience doing IT work for large and small companies. We keyed in on a huge gap in the quality of support between large and small organizations. We saw the ability to deliver it to companies with less than 100 people.

**Most difficult part of decision:** I wasn't working at the time. It was clearly the best thing for me.

**Biggest plus of ownership:** It's always been a dream, my ambition, to run my own business.

**Biggest drawback:** You feel personally responsible for the company, for people's jobs, and for managing 3,000 servers.

**Biggest misconception:** The cash flow aspect. Even if you run your business well and you're profitable and efficient, all the free cash must go back into the company to fund it.

**Biggest business strength:** I'm very emotional and passionate about the company and what we do and the service we offer.

**Biggest business weakness:** I'm dealing with the weakness through this executive MBA program. As the CEO, I need to be a little stronger in the core business administration tasks.

**Biggest risk:** We're making a pretty big gamble on electronic medical records, investing hundreds of thousands of dollars in this right now, in terms of ramping up to be an outsourced IT provider. The Obama administration is subsidizing doctors to move to electronic medical records. These doctor's offices haven't been good prospects, but when they move to online records they will need us. We believe it's the next wave. If we're right, we'll have 50 doctors' offices that will call us their IT staff. If we're wrong, it's 100 grand out of our pockets.

**Smartest move:** Clients want you to handle phones, copiers, everything. But we've stayed narrowly focused on what we do well.

**Top source of inspiration:** Positive customer feedback.

#### Daily routine

**Most challenging task:** I've got a strong management group, the challenge is trying to be a leader in that scenario.

**Favorite task:** Talking to prospects.

**Biggest frustration:** The ownership, from a take-home perspective, makes very little money. How many years do we need to do this before we realize that success on a personal level?

**Source of support in a business crisis:** My three business partners.

#### Dreams

**Key goal yet to achieve:** Down the road, we'll have huge computer infrastructure over the cloud. That'll be a huge efficiency.

**First move with capital windfall:** We could think about acquiring some other organizations or really invest in marketing and sales to grow organically.

**Five-year plan:** Hit \$10 million in revenue at the end of five years.

**Inducement to sell:** I don't think I'd be interested in that at this point.

**First choice for new career or venture:** I don't think I could do anything but run a business at this point.

#### Personals

**Most-admired entrepreneur:** My dad.

**Most interested in meeting:** Jim Collins and Jack Welch.

**Stress reducers:** Basketball.

**Favorite pastimes:** Skiing. I play piano and guitar.

**Favorite books:** "Good to Great" by Jim Collins and "Winning" by Jack Welch.

**Favorite film:** "The Matrix."

**Favorite restaurant:** The Peasant and the Pear in Danville.

**Favorite destination:** Puerto Vallarta.

**What's on your iPod:** All kinds of music from pop to country to classic rock.

**Automobile:** GMC Envoy.

—Emily Fancher ■