

Homeless man turns successful entrepreneur

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Bernard Groves doesn't want to overplay his similarity to Will Smith's homeless man-turned-financier character in the San Francisco-based movie "The Pursuit of Happiness."

"I didn't sleep in no BART restrooms," he said. "But I slept on BART benches many times. I'd get on the train and ride from Fremont to Richmond and back to sleep."

One year ago, Groves was sleeping in parks and vacant cars, and ate at the Salvation Army lunch counter. He told everyone he had "some genius ideas." He was going to start a business, he said. All he needed was a little help - some guidance and encouragement.



Michael Macor / The Chronicle

How many times have we heard that?

City residents often tell me how angry they are at the way some down-and-out people expect handouts. Many of us have become cynical and think every tattered guy with big ideas is simply working a scam. A lot of them are. But it is important to remember that if we give in to that, we end up missing the Bernard Groves among us.

Today, Groves wears a suit to meetings, has incorporated his company and is making money.

"It's unbelievable," he said. "To have your own corporation, products you develop, it's like a dream."

Before we go into how he became a success, it's worth mentioning where he came from.

The first part of Groves' story is a familiar, sad slide down to despair. His job at a large soft drink corporation went sour in July 2006. His common-law wife, who'd been with him for 13 years and given birth to three of his children, decided to leave.

"Five months later, I found myself homeless," he said. "I couldn't find a job. I had no car. I was literally sleeping in parks. I carried everything I had in a backpack. I had a change of clothes, my hygiene items and my portfolio of ideas."

He lived that way for nearly a year, from early 2007 to March 2008. During the day he'd haunt public libraries where he could get Internet access. On a visit to San Francisco, he was told about the Small Business Development Center, where they had seminars. He signed up, took some classes on networking, and began to think about a business model.

"I was at my lowest point, down and out and homeless, and I asked Christ for an idea," he said.

Christ gave him an answer almost immediately - diapers.

It was a product with constant demand, cheap production and potential for growth. It sounded great except for the part about the company headquarters being in a homeless shelter.

Groves finally found a place to live - a San Jose shelter run by a group called EHC LifeBuilders. There he met a kindred spirit, another homeless man named Robert Faison, a former manufacturing engineer.

"He wanted to do something new. We wanted to change our lives," Groves said. "Every morning we would get up and walk for miles, rain or shine."

They prowled the Internet and told everyone they had a concept that was going to change everything: low-cost diapers and a line of dolls. LifeBuilders program director Linda Jones had heard such big dreams before.

"Usually I just smile and say, 'Wow, I'm glad to hear that,' " she said. "They just lose focus, get sidetracked. But Bernard, he's special."

The two hooked up with Chris Schwafel, a counselor for the Small Business Center of Silicon Valley.

"I've never had a homeless person," Schwafel said. "But he had it together. I can usually sense when somebody is on the up and up. They'd thought long and hard about this and took the time to develop a business plan."

They took their business model to Tony Grayson, pastor of their church, the House of Restoration. He scratched up some seed money. Groves cold-called a corporate attorney, Fred Greguras, who specialized in startup companies, and convinced him to help them incorporate. They set up a manufacturing line through China, and priced their diaper packages well below those of the big companies.

Today they have a line on getting their dolls into a national chain store, and they are delivering cases of diapers to stores in the East Bay. Groves has rented a townhouse and has a bed, and a room, of his own.

The business is just starting to make a profit, but Groves couldn't be more optimistic. After where he began, what are we supposed to tell him? That it is too much of a long shot? He passed long-shot status miles ago.

"I think, even in this crazy world," Schwafel said, "they are going to make it."

Because sometimes, even in the real world, you don't just pursue happiness. You find it.