



# Creative Business

BY MICHAEL J. MCDERMOTT

## Balancing the Books

A BIBLIOPHILE KEEPS LIFE AND BUSINESS IN PERSPECTIVE



If there is such a thing as a “Zen of entrepreneurship,” those seeking enlightenment might do well to make a pilgrimage to a used book outlet and warehouse just outside Philadelphia. There they will find Eugene Okamoto, founder and co-owner of Harvest Book Co.

Like many small business owners, Okamoto has experienced the ups and downs that entrepreneurship has to offer. However, rather than allow the challenges that come with running a business to create conflict with his personal life and goals, Okamoto has succeeded in

blending those often disparate demands into a harmonious whole — balancing the yin of family life with the yang of his position as head of Harvest Book Co.

“You read so much about people struggling to find ways to balance their work and personal lives, and in some ways, I’m no different,” Okamoto says. “But the way most people seem to deal with this issue has always struck me as the wrong approach. If you set the scales up with work on one side and life on the other, you are dividing the two as if they were distinct. That



**Shelf life: Eugene Okamoto (at right) and business partner, Jeff Blake, amid the merchandise at their warehouse.**

can't be so. You only have one life. The trick is not to let one area distort the other."

Achieving that kind of balance is easier said than done for most people, but it's something Okamoto has been working toward — and growing into — all his life. He and his wife started Harvest Book Co., a used, rare and out-of-print bookseller located in Fort Washington, Pa., in 1988, when he was just 24. Since then, the company has gone out of business twice, only to reemerge in its current form.

The evolution of Harvest Book has been an ongoing learning experience for its founder. "As the business has grown and changed, I have been constantly surprised at how much flexibility you must maintain in order to succeed. Many of the ideas I held so firmly early on didn't age well. Today I find myself more and more questioning — even eager to destroy the old mindset."

The first incarnation of Harvest Book was as a small used bookstore in a quaint village outside Philadelphia. After shuttering that venture, Okamoto decided to rethink his business concept. That was in the days before the existence of Internet book sites, and he saw an unmet need for a company that could provide exhaustive book searches at a relatively low cost but with a high level of service.

"At the time, the only way to track down hard-to-find books was to place ads in magazines, send postcards to other dealers, or give yourself over to the gods of serendipity and browse every small book shop you came across," Okamoto recalls. Although the process was slow and expensive, he confesses that he loved being part of the fraternity of book dealers and reveled in the Dickensian charm and time-honored customs that characterized the world of old books.

With the emergence of the Internet and online commerce in the late 1990s, a wave of change washed over the retail industry, and even the staid outpost of vintage book trading was not immune. Amazon.com, the mammoth online bookseller, soon developed into an iconic symbol not just of Internet bookselling, but of the entire e-commerce phenomenon.

## Two Worlds

As Okamoto tells it, his little book-search business was suddenly part of the new e-commerce paradigm, as the company's book search magazine morphed into a web site which gave birth to a hot "dot.com" business plan. Trade jargon that had been punctuated with words such as "folio" and "vellum" gave way to talk of "retail convergence" and "bridging the analog and digital divide."

This was a world of technology as much as a world of books, and Okamoto did not have the expertise that his business now demanded. For Harvest Book Co., it was a period of building data processing networks, Web sites, and call centers, and Okamoto was grateful to have teamed up with a partner, Jeff Blake, who did have the skill set required to navigate the brave new high-tech world.

"One thing I learned during that period is that you should never get involved with IT (information technology) projects that you do not fully understand," Okamoto says. "Have a partner." In fact, when asked about the keys to his business's growth over the years, Okamoto cites the formation of the partnership. "Jeff's skills are complementary to mine. He is so good to work with, and being able to brainstorm with him has had a tremendous impact on our business."

As much as Okamoto may not have comprehended the inner workings of the company's new high-tech infrastructure, he had one thing that too many of the era's dot.com wunderkinds turned out to lack: an intrinsic understanding that Harvest Book's success or failure depended on the validity of its underlying business concept. He knew that it was the concept that drove the business and high-tech bells and whistles existed to support the concept, not the other way around.

"A well-stocked used bookstore is going to have more interesting titles to offer readers than any new bookstore, no matter how big," Okamoto says. "That's because there have been millions and millions of great books written over the years, but only a miniscule percentage of them are available as new books at any given time."

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**Family busines:**  
**Eugene Okamoto's**  
**wife and children feel**  
**at home in the shop.**

The problem is that the supply of all those great books is highly fragmented, scattered among thousands of small used bookstores, private collections, and other sources around the world. While a used, rare, and vintage bookseller could never duplicate the economics of a Barnes & Noble or an Amazon.com — ordering bulk quantities of bestselling new books direct from publishers' warehouses and selling them at cut-rate prices through a broad-based distribution network — Okamoto realized he could leverage the power of technology to create a more-efficient access channel to the diverse and fragmented inventory of the used-book market.

### Coping with e-Change

His company focused on book searches for a while, with a fair amount of success. But as that same technology became widely accessible to anyone with a PC and an Internet connection over the past few years, demand for those services dwindled. Harvest Book once again faced the challenge of change. On the up side, readers' virtual access to the shelves of thousands of secondhand book dealers around the world was also creating an unprecedented demand for used books. That is the market need against which Okamoto repositioned Harvest Book.

Having in stock the book a customer wants is what sets Harvest Book apart from many other used booksellers. The company works hard to maintain a broad, well-developed collection of both hard-to-find and general interest books, and it is the largest buyer of used books in the Greater Philadelphia area. With a staff of 22 employees, Harvest buys collections from many sources, including libraries, universities, and individuals. It also supports book donation programs for several public libraries, large area charities, churches, scout troops, schools, and other groups — activities that reflect its book-loving roots and project that image in the marketplace.

"Through those efforts, we handle hundreds of thousands of books each year, and that gives us the opportunity to search for the special ones that we catalogue, shelve and hold ready for that one person who is searching for them," Okamoto says. An offshoot of that process is the accumulation of many thousands



of interesting, good quality, but not particularly valuable books that the company sells at rock-bottom prices through its Harvest Book Outlet adjacent to its warehouse. The outlet sells books for \$2 or less and once a month holds a "loading dock sale" that features bags of books for as little as \$5.

### Family Ties

Having to deal with all that change along with the ongoing responsibility of running a business that provides a livelihood for almost two dozen people might be enough to tip the average entrepreneur over the edge into workaholicism. Not Okamoto. What keeps him balanced and grounded, he says, is the memory of his father and the importance of his marriage and children in his life.

"My father was a bibliophile — maybe even a bibliomaniac — and that is one of his legacies to me," he says. "My wife, who started the business with me 15 years ago, shares my love of books, and we both read constantly. At that time, I did not think about success or failure, just doing something interesting."

Ironically, Okamoto's father, an immigrant college professor who died when Eugene was 21 and a junior in college, was staunchly risk-averse, something Okamoto finds odd "for someone who chucked it all to get on a boat and come to the States." If his father had lived, he admits, Okamoto never would have started

the business. “The grief of his death was eventually freeing, enabling me to explore new things,” he says.

While the company bumped along for years, one of the factors that sparked its real growth was the birth of his first child, a daughter, seven years ago. “Seeing your children born gets you serious about growing a business,” says Okamoto, who also has a five-year-old son. At the same time, though, it made him realize that success in business would be hollow if it came at the expense of his family.

“I came to realize that the energy and skills you use to transform a business are the same ones you use to keep your marriage strong and raise your kids,” he says. “Building and strengthening a marriage and raising children have to rank among the most creative and rewarding things anyone can do. I keep trying to be more conscious and more present in everything I do, regardless of whether I am working, or eating, or playing.”

Okamoto is also a runner and uses that activity as a form of meditation. And while he may not use the term to describe the stamp his business philosophy has had on Harvest Books, it is clear to an objective observer that there is indeed, a “Zen of entrepreneurship It can be found just outside Philadelphia.

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*Michael J. McDermott, a writer specializing in business and technology, lives in Carmel, New York. Harvest Book Company was nominated for profiling in this column by Northwestern Mutual financial representative name TK.*



## Required Reading

As anyone who knows Eugene Okamoto, founder of Harvest Books Co., might expect, his idea of a required reading list for entrepreneurs veers off the beaten path. He says the first two titles in the list that follows fall under the heading of “Turning the Rig.” The last four answer what Okamoto considers the most important question: “Why am I sailing, anyway?”

■ **The E-Myth Revisited: Why Most Small Businesses Don't Work and What to Do About It**

by Michael E. Gerber (HarperBusiness)

■ **Out of the Crisis**

by W. Edwards Deming (MIT Press)

■ **Authentic Happiness: Using the New Positive Psychology to Realize Your Potential for Lasting Fulfillment**

by Martin E. P. Seligman (Free Press)

■ **Creating True Peace: Ending Violence in Yourself, Your Family, Your Community, and the World**

by Thich Nhat Hanh (Free Press)

■ **Start Where You Are: A Guide to Compassionate Living**

by Pema Chodron (Shambhala)

■ **Small Is Beautiful: Economics as if People Mattered**

by E.F. Schumacher (Perennial)

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