

“Free Enterprise at Work: How Winsupply’s Business Model Gives Everyday People the Freedom to Earn Their Own Success”

by Rick Schwartz, Chairman of the Board, Winsupply Inc.

Delivered at The Road to Freedom Seminar:
Secrets to Advancing Free Enterprise Over Socialism

Hosted by The Center for Entrepreneurship & Free Enterprise
Young America’s Foundation

National Headquarters, Reston, Virginia

September 21, 2019

Excerpt 1:

Imagine this scenario:

What if I walked up to you today and said that come tomorrow, you and I were going to have an **amazing, one-of-a-kind opportunity** to go into business together.

And what if I promised you that this **opportunity** – this **business** – was going to be something pretty **unique**.

Something **really different**.

You’d probably be **more than a little curious**, right?

And what if I went on to tell you that we’d base our **unique and different business** on three simple things:

- **Sharing**
- **Trusting**
- And **helping**

All those things you learned way back when you were in kindergarten.

Your first thought would probably be:

“What kind of a new nonprofit organization is this?”

“Tell me more!”

And then you’d probably be **completely surprised** when I went on to tell you that this **unique and different business** was **NOT** a new nonprofit – but instead:

A for-profit business operating in a free market to help **thousands** of people **earn their own success** by **doing good in the world**.

Think about that for a minute.

- A for-profit business based on **sharing, trusting and helping**.
- A for-profit business **doing good in the world**.
- A for-profit business that is **free enterprise at its very best**.

Now if I told you all this, would you believe me?

My guess is that you might be just a little skeptical.

After all, today we keep hearing that our economic system in America has **failed many of us** – and we need to find **a better way**.

Raj, I want to take a minute to say thank you for inviting me to speak here today.

It’s always great to come back to the headquarters in Reston to talk to the staff at YAF who work so hard to make this organization the success that it is today.

I was so impressed to hear that **a record number of students** had signed up to attend our **eighth Road to Freedom Seminar**, which promises to give you **the secrets to advancing free enterprise over socialism**.

If you want good insight into some of these secrets, you need to look no further than the business model created by Winsupply six decades ago, back in 1956.

It's a business model based on the human virtues of sharing, trusting and helping.

And that's what I'd like to talk to you about today.

Excerpt 2:

Now the business model I just described is really very simple:

- **Sharing** ownership with others, along with all the **risks and rewards ...**
- **Trusting** local owners to **make the right decisions ...**
- And **helping** them succeed by **providing the support services they need.**

It sounds idealistic.

But does it work?

Just look at our results!

- **Since 1956, we've built thousands of entrepreneurs** – people who are leaders in **wholesaling** and in their **communities**.
- **Since 1956, we've created good jobs and added value to our society.** Hundreds of local companies have **served their customers well** and **grown their businesses**.
- **Since 1956, we've given local owners the freedom to achieve without limits.**

An entrepreneur begins by **investing a little money** to start or take over a local company.

So they have **skin in the game**.

They work **hard** – often, **very hard**.

Then – if their company makes money – **they're rewarded for those results.**

The better their company's **results**, the more money they earn to **reinvest** or **redistribute.**

And not just to themselves as **owners**, but also to their shareholders ... **and more importantly, to their hardworking employees!** ... in the form of **bonus checks.**

Our local owners are **grateful** for the opportunity at Winsupply.

They are **humble.** And **selfless.**

So they continue to **pay it forward.**

They go on to help their **employees** and **other people** earn their own success, too.

Excerpt 3:

All too often, stories about **crony capitalism** and **shareholder greed** are what **grab the headlines.**

So people believe that what's going on in some of the **BIGGEST of BUSINESSES** is what's going on in **EVERY** business.

But that's just not the case!

Because in America, **99 percent of businesses** are **SMALL businesses!**

That makes small businesses **the backbone** of our American economy.

What's more, the **majority** of small businesses ... a staggering **88 percent!** ... have **fewer than 20 employees.**

That's just about the size of **a typical local company at Winsupply** built by **people like Scott Wilson ... Greg Jackson ... Dean Lucas** and their hardworking employees.

At Winsupply, we love small businesses!

We believe they're better for customers ... employees ... and communities.

That's why our purpose – the reason we exist – is to build entrepreneurs.

It's a noble cause. And it's our higher calling.

At Winsupply, we're in business to make a profit.

And we're in business to do good in the world.

Our free enterprise business model gives hardworking entrepreneurs all the advantages and rewards of being an independent business owner without all the disadvantages and risks.

Having seen our business model at work since I joined Winsupply in 1972, I KNOW it's a better way to practice free enterprise.

Small businesses across America are doing it!

You just don't hear about it.

Working for a nonprofit is not the only way to do good in the world.

Because if you can apply a free enterprise business model based on human virtues like sharing, trusting and helping, there's no end to the good you can do!

- The more people in America who choose their own path to happiness and earn their own success, the more opportunity we have to
 - Boost the GDP
 - Stimulate the economy
 - Be generous with our philanthropy
 - And support a healthy tax base to pay for services in society that benefit the common good.

- **The more people in America who pursue meaningful work**, the fewer people we have **relying on the social services** of a **government agency** or a **nonprofit organization**.
- **And the more people in America who have the freedom and the opportunity to compete in the marketplace**, the more we **inspire innovation** to make life better for **all of us**.

As young people involved in YAF, **YOU** have the power to **bring a new voice to campus**.

- **YOU can stand up for free enterprise** and bust the myth that says **for-profit companies** are only in business to **make a profit**.
- **YOU can talk about a business model based on sharing, trusting and helping** that's out there and working for **thousands** of people every day.
- **And YOU can share stories about free enterprise at work - and how it's a force for good in the world** - at small businesses owned by **Scott** ... **Greg** ... and **Dean** in **Missouri** ... **Ohio** ... and **New York**.

A few minutes ago, I said if you really want to know the secrets to advancing free enterprise over socialism, you need to look closely at the **business model created by Winsupply** six decades ago.

At this Road to Freedom seminar this weekend, you'll hear **many more secrets** from **many other presenters** who know that **opportunity for all is inevitable when free enterprise is practiced well**.

So I'd like to close by sharing one more secret that's **easy to remember**, and **easy to share**.

It's wisdom that comes to us from **former President Ronald Reagan**, a staunch supporter of our free enterprise system.

Forty-five years ago, Reagan so wisely said:

“What some of our people seem to have forgotten is the fact that America's prosperity was not a gift from government or anyone else.

“Free enterprise, not government, is the source from which our blessings flow.”

Thank you.