

# The Toilet Paper Entrepreneur

## Case Studies

Here are real-life case study examples of businesses that successfully bootstrapped their way to success. These stories align with the themes of The Toilet Paper Entrepreneur and demonstrate how resourcefulness, ingenuity, and perseverance can lead to extraordinary outcomes:

### 1. SPANX:

#### Turning \$5,000 into a Billion-Dollar Brand

##### Background:

Sara Blakely founded Spanx in 2000 with just \$5,000 in savings. She identified a gap in the market for comfortable, flattering shapewear and created her first product by cutting the feet off pantyhose.

##### Bootstrapping Journey:

- Wrote her own patent to save on legal fees.
- Cold-called Neiman Marcus to land her first retail account.
- Relied on grassroots marketing and personal demonstrations.
- Reinvested profits to grow the business without external funding.

##### Outcome:

Spanx became a household name, generating 400 million in revenue by 2021. In 2021, Sara sold a majority stake to Blackstone for 1.2 billion, retaining full control of the company's operations.

### 2. MAILCHIMP:

#### From Side Project to \$12 Billion Acquisition

##### Background:

Mailchimp was founded in 2001 by Ben Chestnut and Dan Kurzius as a side project while running a web design agency. The email marketing tool was initially offered for free to small businesses.

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### **Bootstrapping Journey:**

- Operated without external funding for nearly two decades.
- Focused on a freemium model to attract users.
- Reinvested profits to improve the platform and expand features.
- Prioritized customer feedback to refine the product.

### **Outcome:**

Mailchimp grew into a leading email marketing platform, serving millions of users. In 2021, it was acquired by Intuit for \$12 billion, showcasing the success of its bootstrapped approach.

## 3. BASECAMP:

### **A Bootstrapped Software Success Story**

#### **Background:**

Basecamp, a project management tool, was founded in 1999 by Jason Fried and David Heinemeier Hansson as a side project within their web design firm, 37signals.

#### **Bootstrapping Journey:**

- Developed the tool to solve their own project management challenges.
- Avoided external funding, relying on revenue from their design business.
- Focused on simplicity and user experience.
- Grew organically through customer referrals and word-of-mouth.

#### **Outcome:**

Basecamp became a leading project management platform, generating over \$100 million annually. The founders' commitment to bootstrapping allowed them to maintain full control and build a sustainable business.

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### 4. GYMSHARK:

#### From Garage to Billion-Dollar Fitness Brand

##### Background:

Ben Francis founded Gymshark in 2012 while working at Pizza Hut. He started by sewing gym wear in his parents' garage with a £1,000 sewing machine.

##### Bootstrapping Journey:

- Sold products directly to customers through social media.
- Focused on building a strong community of fitness enthusiasts.
- Reinvested profits to scale the business.
- Avoided external funding for the first eight years.

##### Outcome:

Gymshark grew into a global fitness brand, generating £401.9 million in revenue in 2021. The company's success demonstrates the power of leveraging social media and community-driven growth.

### 5. GITHUB:

#### Bootstrapped to a \$7.5 Billion Acquisition

##### Background:

GitHub, a platform for software development, was founded in 2008 by Tom Preston-Werner, Chris Wanstrath, and PJ Hyett.

##### Bootstrapping Journey:

- Started as a weekend project with minimal investment.
- Focused on creating a user-friendly platform for developers.
- Grew organically through word-of-mouth in the developer community.
- Avoided external funding until achieving significant traction.

##### Outcome:

GitHub became an essential tool for developers worldwide. In 2018, Microsoft acquired the company for \$7.5 billion, validating its bootstrapped approach.

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### RESOURCEFULNESS:

All these companies started with minimal resources but maximized what they had.

### CUSTOMER FOCUS:

They prioritized solving real customer problems and built loyal communities.

### INGENUITY OVER MONEY:

Instead of relying on funding, they found creative ways to grow.

### LONG-TERM VISION:

They reinvested profits and focused on sustainable growth rather than quick wins.

These examples align perfectly with the principles of The Toilet Paper Entrepreneur and can inspire aspiring entrepreneurs to take action with what they have. Let me know if you'd like more details or additional examples!