

FORTUNE

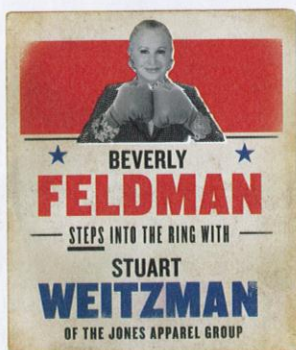
December 12, 2011
(C. 850,000)

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BEST PRACTICES

DAVID VS. GOLIATH

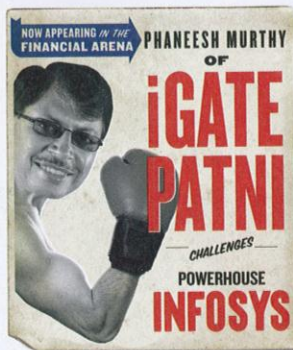
THE SECRETS OF SUCCESS IN BUSINESS, FROM LEOPARD-PRINT BALLET FLATS TO FREELANCE WEB DESIGNING TO THE BACK OFFICE. *By Elaine Pofeldt*



BEVERLY FELDMAN
VS. STUART WEITZMAN (JONES APPAREL GROUP)

THE CHALLENGE: Grab market share when shoppers are holding back.

WHAT THEY DID: Known for snazzy leopard-print ballet flats that sell for about \$200 at stores like Nordstrom and Lord & Taylor, women's shoe designer Beverly Feldman, 64, has steadily grown revenue, from \$8 million in 2009 to a projected \$9.5 million this year. Feldman, who founded her business in 1979, diversified into overseas markets early. So when the U.S. slowed during the recession, sales in Asia kicked in. To attract U.S. customers, Feldman, whose office is in Norwalk, Conn., makes three appearances a year on HSN. To keep spending down, she teams up with retail partners on cooperative advertising. Women stay loyal, she says, because she makes sure her shoes don't hurt: "When I design a pair of shoes, I make them in my size and wear them."



iGATE PATNI
VS. INFOSYS

THE CHALLENGE: To take on—and beat to the punch—the big kahuna in outsourcing.

WHAT THEY DID: As a veteran of outsourcing giant InfoSys, iGATE Patni CEO Phaneesh Murthy, 47, knew that many banks and insurance companies were afraid to hand off their back-office work in case sloppy handling damaged their reputation. Thus, he saw an opportunity for his Fremont, Calif., company, formed earlier this year. Rather than charge by the hour to process mortgage and insurance applications, for example, he offered prospects flat fees based on achieving results—such as approval of a loan. And instead of requiring a minimum amount of work from each client, he offered the freedom to use his services on demand. The result: iGATE Patni brings in \$900 million in sales, he says, profitably serving clients like Royal Bank of Canada and GE Finance.



BLUE FOUNTAIN MEDIA
VS. DIGITAS

THE CHALLENGE: Can a freelancer grow his agency enough to grab Fortune 500 clients?

WHAT THEY DID: Frustrated by working in corporate gigs where it was hard to get his bosses to share his ideas with clients, web designer and online business consultant Gabriel Shaoolian, 38, started a freelance business from his New York City apartment in 2003. It grew quickly through word-of-mouth referrals, and today he employs 150 people at the company, where he expects sales to rise to \$16 million in 2011, from \$8 million last year. One secret: bigtime talent. Clients such as the NFL and Procter & Gamble pay rates averaging \$125 to \$150 an hour for his employees. How does he keep the troops happy? To ensure that his best people don't jump ship, he gives everyone equity after one year of employment—along with a vote in key company decisions.