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Making Your First Million

**A Practical Guide to Principle-
Centered Prosperity**

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Edited by Martin Franzen
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A special note from the publisher:

I first discovered this amazing book by George Parry a couple of years ago, and to this day it's still one of the finest guides to success I've ever read. The book contains the distilled experience of \$70 million in mail-order and Internet sales over 20 years. It's an extremely valuable resource, and George has generously agreed to let me share it with you for free.

Bonus: Feel free to send this valuable ebook to your friends, share it with your subscribers, and give it away as a free gift on your site. It can be of tremendous value to those who seek success in all areas of life. Your contacts will appreciate it, and it will add a lot of value to what you are offering now. (Note: it cannot be sold, only given away as a free gift.)

I know you'll benefit greatly from the information in this ebook, and I encourage you to share it with your friends... They'll thank you for it!

Enjoy!

Martin Franzen

Author of [The Internet Marketing Master Plan](#): "How To Turn Your Passion or Hobby Into a \$100,000 a Year Business on the Internet"

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'We shall not cease from exploration

Until the end of all our exploring

Will be to arrive where we started

And know the place for the first time'

T.S. Eliot, 'Little Gidding'

Chapter 1 - Changing the Mindset

Some time ago I noticed Doug, my warehouse manager, filling out a Lotto form. I'd never seen one before so I asked him to explain the system and his likelihood of winning.

"Look George, it's easy. Just pick 6 numbers out of 44 in any order and you win a million."

"How much does it cost?"

"Twenty five cents a game. I've been spending ten bucks a week for the last 15 years. I've won a few small ones but reckon the big one's bound to come up soon."

I looked more closely at the form. "Ten bucks a week eh. Hmm." I started to do some mental calculations. "Look Doug, I think your chances of winning a million bucks on Lotto are pretty remote. You spend ten bucks a week and your chances of winning the big one are 40 times 6 over 44 times 5 over 43 times 4 over 42 times 3 over 41 times 2 over 40 times 1 over 39. The way I see it you've got an even money chance of winning the Lotto if you bought 40 tickets a week for the next 1,500 years. Why don't you win Lotto the way I did?"

I could see I now had his full attention.

"When did you win Lotto?"

"That's just a figure of speech Doug. I've been winning Lotto every month or so for 20 years and I've never bought a ticket."

For once he was speechless which, if you know Doug, is saying something.

"Look, there are lots of easier ways to get rich than gambling. The only ones who get rich out of gambling are the promoters. Why don't you try this way: You take your ten bucks a week and bank it till you've got enough to buy a few shares. Blue chip, whatever, it doesn't matter. After ten years you'll be amazed to discover your Lotto money has ballooned out to between ten and twenty thousand dollars no matter how lousy an

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investor you've been. You take this and put it down as a deposit on a small commercial property. The rent (10% to 12% net) on this will repay the bank loan and interest in another ten years. At the end of the time you'll have a property worth \$150,000 plus."

"What? You mean it'll take me twenty years to make money? I think I'll stick to Lotto. It's a lot quicker than that."

"Doug, you've already invested 15 years and ten thousand dollars into Lotto tickets and you're still broke."

There is an easier way. You can be enormously successful in this life and you don't have to gamble or wait twenty years. But you will have to invest some serious effort into changing your thinking in order to tip the odds dramatically in your favour. Fortunately for you, most people are feckless. They mostly just go with the flow, chasing after the ball like third-graders, never thinking. Put in even a modest effort into outsmarting the game, by reading this book for example, and you're already ahead of 97% of the other players. This is a tremendous advantage to you. You have one of the greatest home-side advantages you can ever get: player apathy. It's not a case of playing hard to win, it's a case of out-thinking the game. When I set out in business twenty years ago, and I must admit I was lucky, I made 5 years take-home pay in the first 2 months. And it got better each year.

To understand how to tip the odds in your favour you're going to have to understand . . .

Chapter 2 - The Principles of Abundance

Almost forty years ago an international conference of the world's leading economists, the Club of Rome, set out to produce the seminal text on the future, which they entitled *The Limits to Growth*. This was designed as a warning for the future, foretelling dire consequences for the earth. It was no 'Nostradamus Predicts'. It was a serious, empirically-based treatise on the future of the planet based upon the evidence available at the time. In 1960 it was apparent that by the 1990's the world would be plunged into chaos. Famine and shortages would have gripped the world's populations. We would have run out of oil and strategic materials. Prices for food and raw materials would skyrocket astronomically. Death and destruction would be the normal order of the day. Pretty heavy stuff.

Yet what happened? Today, as we enter the new millennium the only thing still in short supply is love and goodwill. Oil is cheaper and more abundant today than bottled water, even with Iraq, the world's major producer embargoed. Commodities have never been cheaper or more abundant. Coal is now cheaper than sand. We have an over-abundance of food, enough food in fact, if evenly distributed to eliminate hunger and poverty. Things have never been cheaper. When I was a teenager it cost the equivalent in today's dollars of \$20,000 for a television set and \$50,000 for a return airfare to London. We are swamped in easily affordable material things, be they clothes, furniture, houses, cars, travel. New technologies have opened up whole worlds of opportunity not foreseeable in 1960. Yet the doomsayers persist: "We'll all be rooned." They point to the fact that we're dependent on finite fossil fuels and once that deck of cards tumbles we'll definitely all be rooned. Definitely.

The problem with that kind of thinking is nobody can foretell the future. We live in a time of rapid, bewildering change. We think the only guide we have to where we're going is where we've been. If we use the rear-view mirror approach and extrapolate today's trends into tomorrow the one certainty is we'll be wrong. Tomorrow will be completely different from today. It may be better. It may be considerably worse. We don't know and we cannot predict even its broadest outline. Look at the changes since 1960. In forty years everything has changed. I drove past the house I grew up in recently. A new motorway sweeps past the door. I don't even *recognize* the suburb I grew up in. The road has been paved. The creek has been piped and built over. The baker no longer delivers with his horse and cart. The ice man has stopped calling. The refugees from the old countries, the Poms, the Italians and the Greeks have been replaced by the new wave of economic refugees, the Vietnamese, the Lebanese, the Turks. The working poor have become the working rich and moved on and have been replaced, and in another generation the cycle will repeat itself. There is not one job which remains the same. Not

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one person on the planet today is working at a job doing the same thing their parents or grandparents did 40 years ago. Even the poorest subsistence farmers eking out a mean and thrifty existence are using genetically engineered hybrid grains or artificial fertilizers and drinking Coca-Cola. Rapid change is the norm and with it comes total unpredictability.

In the face of an unpredictable future we have two choices: we can fear it or we can embrace it. Clearly, the Club of Rome in seeking to exercise some control over it, and in failing, chose fear, a natural enough response. But just because our future is unpredictable and outside of our power to control it is no reason to be a'feared. We may not be able to predict the future but by tapping into the basic principles of life we can predict we will be able to adapt positively to whatever changes and upheavals come along, good as well as bad.

What are these principles? Let me tell you about Adam at 17. It's little different to me at 17. This is the mental picture I have of him: "Why can't I? It's not fair! Why can't I do what I want? Why can't I drink and drive? Why can't I drive as fast as I want? Why can't I have what I want? It's not fair."

And I say to him: "Adam, you can do and have and be whatever you want. But you'll have to accept whatever the consequence is. We all have the free will to drink and drug and lie and cheat and steal and fornicate and have a wonderful time. There's nobody to stop us. But everything we do has a consequence. The consequence is always larger than the initial action and it accumulates. We may get away with it for a while but it's very patient and it will catch up with us. It's not 'them' or the cops who stop us. It's the laws of nature, like gravity, biology and chemistry that pull us up short. If we want to do stuff with negative consequences that's fine. We can do it. But let me tell you from hard, personal experience, if we want to be a real winner in life we need to do stuff with positive consequences."

Everything else may change dramatically, but human nature remains forever the same. *Plus ça change, plus c'est la même chose.* We all want the reward now and the effort later, preferably never. The trouble is, the consequences accumulate. We kick against the traces and demand rewards and pleasures now and fail to realise that by putting in the effort now our rewards tomorrow will far exceed the pleasures of today. As Zig Ziglar says: "The single most important determinant of success is the willingness to defer gratification."

Nine days after getting his driver's license Adam rang home: "Hi Mum, It's me."

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"Hi Adam. How are you?"

"Oh, fine. Mum have we got a spare tire?" Pauline had loaned Adam the car for the holidays.

"Yes, there's a spare in the boot."

"No, I mean another one."

"Why do you need another one?"

"Well, oh you wouldn't believe it Mum. I got two flat tires."

"Okay. Go to the auto-bank and take out \$100. Then take off the other flat and take it to Beaurepaires." Even at 8 in the morning Pauline has a logical mind.

"Well, it's worse than that Mum. I've wrecked the wheels."

"How on earth did you do that? Never mind. Don't tell me. I don't think I want to know. Look, there's bound to be a wreckers at St Peters or Tempe or somewhere. Get \$200 out of the auto-bank, get a taxi to take you there and buy a couple of wheels for an 87 Toyota Corolla. Then you can ring the NRMA to help you put them on."

The instructions were getting a little more than Adam could process. "I can't get into the car. I've lost the keys."

"Look Adam, I think you'd better tell me what happened."

"Well, oh you wouldn't believe my bad luck. You know how I was taking Scott to Brad's party well it was pretty late and I decided to shortcut through Ginahgulla Rd and you know how narrow that is and anyway there was this car coming at me so I had to squeeze over to get past and I hit the gutter and wrecked the wheels. Well the people in the other car got out to help and you wouldn't believe it, they were cops. How unlucky can you get? Anyway they charged me with neg driving. Can you believe it?"

"Hmmm. How did you lose your keys?"

"Oh. Well. The cops took them off me. It's not fair Mum. They can't do that can they? I dunno. Mum. They put the bag on me Mum. And they took me to Waverley Police Station. They took my license off me too. And they took my fingerprints. I've got a criminal record Mum!"

And on it went. I'll spare you the extended version.

We spin our wheels with the Yes but's and the If only's and the Why me's and the Why don't they's trying to override the laws of nature, complaining that it's *them*. They done it. If only they would stop picking on me and give me a fair go. The truth is, we are all, whether we like it or not, whether we agree with it or not, whether we acknowledge it or not, subject to fundamental laws of nature. We fight and kick and protest that we're different, we're special and that they don't apply to us, but there is an inexorable steamroller of truth, a spectral, unkillable terminator which eventually tracks us down and obliterates us when we choose to ignore them.

What are these natural laws? Depending on your perspective, you might choose to call them the Punitive Laws of Nature. I prefer to call them . . .

The Principles of Abundance:

- 1) You Get Back What You Give Out
- 2) All Actions Create Larger, Accumulating Consequences
- 3) There is Love and There is Fear and One Drives Out the Other

These are the building blocks with which we will build our life of outrageous success and great wealth. Our natural fearful human nature focuses on games of 'you lose, I win'. These are called zero sum games. But the First Principle of Abundance tells us that you get what you give, and the Second Principle says you get *more* than you give. The more we give, the more we receive. The more we help others achieve their goals, the more we create wealth in this world. Conversely, the more cynical and greedy we are, the more we impoverish ourselves and others, not just financially, but physically, socially, morally, spiritually, emotionally and intellectually.

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We have a choice. We can choose to greedily accumulate, to chase down our goals, ride roughshod over everyone and never give an inch. Or we can seek to tap into the larger game and in the process easily achieve far more than we'd dreamed possible. If you have failed to date, if all your efforts have come to nothing, if you are looking for outrageous success in your life I want to suggest you make a quantum change in your thinking process and take on board the principles I am outlining here. They have taken me half a century to realise. They work. And I give them to you with my blessing.

Understand the power of the idea. Nothing happens without vision. To achieve, we need vision. Steve Duncan puts it this way: 'Those who succeed talk about ideas, those who follow talk about events and those who fail talk about other people.' To succeed in life, we need to understand the ideas and principles that drive it, focusing on them, rather than the day to day minutiae that otherwise would crowd out our lives and ensure our mediocrity. People who fail, fail to become principle-centered. It's hard work. They fall back on simplistic black and white rules and emotional tribalism for their decisions, running with the mob and failing to understand the basic principles which drive it. You can feed your ego or feed your family. If you can suspend the tendency to react, and come to a problem with a measured response based on first principles rather than a comprehensive set of rules and regulations that cover every contingency you will have taken a major step in unlocking your door to great wealth.

Understand that there is money and there is wealth. Money is what we use to go shopping. Wealth is completely different. Wealth is the ability to create choice. Wealth is freedom, happiness, the ability to do and go and be whatever and wherever we choose. To achieve abundant wealth we need to change our mindset. We need to focus on abundance rather than shortage, on love rather than fear, on giving rather than getting. We need to harness the Second Principle of larger accumulating consequences by focusing on positive consequences, thereby tapping into the power of synergy. If we are focused on lack, shortage, 'you win, I lose' thinking we are controlled by the state of entropy where everything tends to go from order to disorder. Entropy sucks the life and energy out of systems. Compulsion, coercion, control, communism. These all owe their allegiance to entropy. As Kennedy said: "The police state will find it cannot command the grain to grow." Under entropy's rule everything is a grind and requires large inputs of energy to keep going. Does this presently describe you when you get up in the morning? You may need to change.

We need to recognize that much of what we've been taught from childhood is wrong. Our education system encourages us to be selfish, individualistic, competitive and aggressive. Why? Why is it that when in the adult world of commercial and social interaction we operate on co-operation and teamwork, in the childhood world of school we stratify and separate, encouraging 'excellence' over empathy, prideful acquisitiveness over generosity of spirit, conformity over creativity, one winner and many losers? I have asked this of many teachers and school principals and the best answer they can give me is: "Look

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George, we know all that but we live in the real world. Parents want us to rate and categorize their children. It's how they measure if we're doing a good job."

My belief is that schools (and many parents) happily employ competition and the natural aggression of the child as a cheap means of keeping control. They operate at the expedient, base-level, punitive Stage 1 of Kohlberg's Stages of Moral Development, a far simpler approach than focusing on love, for which read patience, tolerance, forgiveness, compassion, having a sense of humor about yourself and not taking yourself too seriously. The very antithesis of the pedagogue and a sad indictment of the misnamed education system.

This is a real hurdle to overcome. We have all been processed through a dysfunctional school system which equips us to be docile factory fodder. Just as each General is superbly equipped to fight the last war, so our education system is superbly equipped to produce citizens for the fifties and sixties. Clearly many schools have taken up the challenge but we still have a long journey in front of us to overcome the programming of the Post-War era. For one, it doesn't work, note the disparity between the skills required for job vacancies and the skills of job-seekers, and for another it is actively corrosive to the attitudes and values I'm suggesting are needed to achieve personal success in the new millennium. This will require a generational change but fortunately I'm not talking generally, I'm talking specifically. To you. You're the one reading this book. Read on and prosper.

You may have been damaged by imperfect rearing and education. We all have to some degree. You may feel justifiable malice and resentment. Understand that you can't afford this luxury. As you read this you may be running ahead of me with the 'Yes but I'm different's. Indulge this if you will but it will rob you of success. Resentment and negativity rot their container. To achieve great things we need to focus on love to drive out all fear. Love and positivity tap into synergy where the whole is greater than the sum of its parts. To change our luck (and to change our life) we need to let go of cynicism, competitiveness and negativity and tap into actions and thought processes with positive outcomes not for ourselves, but for those around us. As we give to others our life will change for the better. The more we work for the benefit of others, the better the outcome for us. My goal in this book is to lead each of us, myself included, through the process of changing our thinking to change our destiny. As the thought creates the action, the action creates the habit, the habit creates the life, the life creates the character and the character creates the destiny so by changing the way we think and see the world we radically alter our destiny.

Summary

- We cannot know or control the future. All our plans will be wrong
- There are natural laws which work for good if we apply them, but bad if we ignore them
- If we tap into the natural laws of abundance we can ensure the future is as positive as possible

Chapter 3 - Playing Soccer in the Rain

I have a confession to make and I need to get it off my chest right now. I've been great at making money but lousy at keeping it. I've been too much of a risk-taker. Non-conformist to the end, my youthful, and at times, not so youthful, arrogance brought me undone three times before I learnt the value of wisdom and caution. It's been an expensive learning curve, dreaming big dreams and losing millions in the process. But it's been invaluable experience that has taught me the value of testing all assumptions. I've made a lot of money over the years but I look like a poorly shaved wombat in a suit and I doubt any professor of business studies would ever ask me to address his students. These were terminal qualities. I knew I was going to have to do something extraordinary to overcome my antagonism to conformity and traditional thinking. All the well-meaning advice was useless on me: "Work hard. Play hard. Run with the ball as hard as you can etc." These were meaningless to me. I was rebellious. I was happy to work hard on my own ideas but there was no way I was going to conform or do what anyone else told me. By rights I should have been on the dole. I was unemployable. But I had one advantage. I would rather think than conform.

I have this mental picture of myself. I'm at school playing soccer. The teacher has bullied us into getting out on the field. It's raining. I haven't brought my sports clothes so I'm playing in my school uniform, soaked, splashing, shirt hanging out, teeth chattering with the cold and I'm thinking: "Am I the only one who thinks this is stupid?" Seemingly so. The rest of third grade are chasing the ball like bees around a migrating queen, immune to the cold. And I think: "There's gotta be a better way." Now this is the point where you have a choice of sneaking off to the weather shed reading Phantom comics or doing some lateral thinking. I stand to one side and analyse the game. And I think. And after a while I notice something odd. No matter how assiduously the mob follows the ball it inevitably squirts away from the mob every minute or so and comes out into the open. This is third grade after all but you know, business is little different. Anyway, I reason that if I position myself anywhere on the field *away* from the mob I stand a significantly better chance of scoring a goal with no opponents to block me. So I nonchalantly walk away from the mob, wait a minute, *run like crazy* for 10 seconds and casually score a goal. This vision has been with me all my life. Rebelliousness. Nonconformity. Doing it my way. There is always a better way than following the mob. If you're following the mob and getting nowhere, grab hold of what I'm going to tell you. It could change your life.

For 11 years I'd been teaching, more or less unhappily. I fell into teaching after dropping out of university as the easiest, no-effort option with 2 years of full-board and pay and minimal work. I scraped through after numerous deferrals, but I was completely unsuited to the discipline of even a 9.30 to 3.30 job with up to 16 weeks off a year and I could see my relationship with my employer was increasingly terminal. They'd tried everything, transfers, warnings, counseling, but I knew they were closing in on me. I was diffident,

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reluctant, resentful. Basically I hated my job but I continued with it because I needed money to survive. I had yet to discover that there is fun and happiness in work. I equated work with necessity and drudgery.

As part of my minimal-effort policy at the time, I ended up teaching deaf children because the training course gave me a year off on full pay and I found myself swanning around playing checkers with kids I couldn't communicate with, feeling increasingly frustrated. Fortunately there was little accountability and plenty of resources available to me and I began playing around with the idea of writing a computer program to drill language skills. We had a little math drill computer and I began looking for a computer with drawing and animation capability that I could program. I didn't realise it at the time, but this one idea was to be the start of a multi-million dollar business.

Somebody smarter than me said: "Business is easy. Find a need and fill it." I'd found a need. I wasn't going to fill it, but just trying to was going to make me millions of dollars. The September 1977 issue of Scientific American provided the key. Advertised in its pages was a new computer with dot addressable graphics. The Apple II. I was spellbound. Here at last was the vehicle that could translate my dream into reality. I was excited. I couldn't sleep. I kept the magazine on my bedside table and read and reread the specs. It was exactly what I was looking for. The next morning I rang Apple in America (the first overseas call I'd ever made in my life to that time). Where could I get one? Not available in Australia yet. A distributor due to be appointed in May. In September 78 I marched into Electronic Concepts in Clarence St and bought the eleventh Apple sold in the country.

There are turning points in life. This was one. I went on to write some particularly flaky software which I advertised in Interface Age, a US computer magazine (an ad the size of a postage stamp) and made 5 years take home pay in 2 months. I had joined the money roller coaster. How do we recognize, anticipate and take advantage of these turning points? For me at the time, I didn't give it a thought. I was having fun. I was excited, enthusiastic, rich beyond my dreams. But there's a clue here. Our turning point comes when we are passionately enthusiastic about something. For years I'd got by on minimal energy output, miserable, depressed, working at a job I hated to survive a life I resented. My enthusiasm was ignited when I could identify the coming together of an intractable problem with a new, unpredictable and out-of-left-field solution.

The key is enthusiasm. I had a vision of what I could achieve and it carried me forward. Optimistic, excited, happy for the first time in my life. I was doing something that would help other people and it was giving me what I wanted. Up to this turning point life was to be endured. Now I had a mission I felt empowered, useful, worthwhile. My enthusiasm gave me the energy to go on, to work, to push, to put in the long hours and build a multi-million dollar computer mail-order company which continues to this day.

Each of us can achieve unlimited success in life, I believe, if we tap into this power source of enthusiasm. Find a need and fill it. It will make you rich but more importantly, it will make you happy. Enthusiasm is the turning point. If you're battling, struggling, devoid of enthusiasm and joy in your life, stop, walk to the sidelines and analyse your position. If you're stuck with the mob, chasing the ball, it could be you need to make a radical change. For the fearful or unimaginative, the radical reaction is often doing a geographical, running away, drinking, drugging, sliding into depression or perhaps sulking and shifting to a few acres in the bush, but I would like to propose an even more radical change. As John Kennedy said "Most people look at what is and say 'Why?' I look at what isn't and say 'Why not?'"

Six years ago, my friend Carl was broke. Again. He'd been a graphic designer with a six-figure price tag in the hedonistic eighties, but coming into the hungry nineties the demand for his exquisite work evaporated in the rush to the banal. He could have succumbed. Well-meaning friends offered him modestly-paid work but he stuck to his vision: "Don't sell yourself short. Do something meaningful." A couple of small, well-paid contracts kept him alive for the six years of almost total absence of income while he was working on his dreams. Some called it false pride. Carl knew what he was doing. Even when all around him were mocking he dared to dream big dreams. A domestic airport, a private university, a high-speed gas-turbine ferry utilizing compressed natural gas.

Carl had enormous goals. But he was also that rarest of all people, a thinker. He had creativity combined with an unstoppable belief in himself and an unquenchable determination to succeed. And he succeeded. From nothing but an idea conceived in the kind of material poverty that would have driven anyone else to give up and sell their time for wages, he brought forth a billion dollar, multi-national ferry project that will revolutionize short-haul ocean transport.

We too willingly allow what *is* to define what *will be*. Like the fleas in a flea circus we allow non-existent barriers to limit our lives. Habit and comfort take the place of effort and thought and we spiral down into the lightless sediment thinking this is all there is. Are you flopping about at the bottom of the ocean, breathing mud with all the others who've lost hope? You don't have to. You don't have to anesthetize yourself with television, beer and shopping, telling yourself you're living it up. You don't have to line up for a skinny paycheck at the dole or the office or the factory. You have a choice.

But how do you exercise that choice? This is where we get really radical. Okay, listen up. Stop doing what you're doing. Stop talking up the back. Pay attention here. This is important. Pick up your folding chair and go sit on the sidelines. And think. Most people never, ever think. Thinking is hard work. They'd much rather yahoo around, go fishing

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and have a beer. Avoid such people and if you are one, stop. You can change. As Zig Ziglar says: "The good news is: If you don't like who you are, you can change." This is serious stuff. If you want to make serious, radical changes in your life and not just score a million bucks so you can slob out, then you have to do some serious strategic thinking. And don't give yourself that smokescreen that you're just a this, or only a that. You can do it. Your brain is a muscle. The more you use it the stronger it gets.

Summary

- You have to out-think the game
- Think big. You might as well.
- The key is enthusiasm. Enthusiasm unlocks the chains that binds our creativity
- The only limits are the ones we impose on ourselves. If we want to change, we can

Chapter 4 - How Do I Become an Entrepreneur

My buddy Adrian's an entrepreneur. When I first met him he was importing cheap and cheerful Chinese junk: roller blades, fake watches, computer clones etc. His approach was novel. He would find out what was available and what people wanted to buy, pre-sell, then import a container-load. He told me he only had eleven major customers. He worked from his garage, which I remember had that distinctive Taiwan smell of mouldering cardboard and towers of boxes containing extras of whatever his customers had ordered surrounded his desk.

Adrian had a real nose for selling. He was not in any particular industry, not bound by preconceived ideas of expanding into similar product lines. He simply focused on what was available cheaply that he could sell for a profit, rang around his retailer mates to see if they were interested, then placed an order and a month later flogged it off. Everything was fair game. He found out what people wanted, imported it, sold it off and squirreled the profits into real estate. When I first met him he was living in a small flat in Oakburn South and a month or two later had bought a house in Toorak. Three years later he had six houses and a thousand acre farm. And all the while he drove a battered old Toyota.

Adrian had all the qualities of a squirrel. Quick, nervous, a high-flying risk-taker but dash back to the safety of the knot hole as soon as you've got your prize. He had no desire to build a big, respectable company that one day he could sell. His only business asset (*which was his real wealth*) was the knowledge he had in his head. I met him at Taipei airport on one occasion. He shared with me the purpose of his trip. He'd just come from Andamooka and Lightning Ridge with a pocketful of opal which he'd sold and was on his way to Los Angeles to buy a large downtown office building before making it back to Toorak for breakfast the day after tomorrow.

I don't think Adrian got past 3rd year high school. He certainly had no time for MBA's or business experts. He was simply too busy having a ball, making money. He started out while he was still at school scavenging lost golf balls, repainting and reselling them. As an inquisitive lad he wondered where golf balls came from and asked his Dad who told him he was too busy and to go ask his Mum. She looked embarrassed and told him they came from the Good Witch of the East. This was his turning point. Golf balls had to have some rational explanation. They had to come from somewhere. And he set about locating their source, breaking into the cartel, and gray-market importing.

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Adrian was hugely successful because he focused on finding a need and filling it profitably. He cut to the chase pretty quickly. No overheads, all profit. No office, no staff, a phone, fax, telex. He worked from his garage and rented extra garages nearby when he needed to, resolutely refusing to employ anyone other than his wife. He took risks, but they were calculated risks. He didn't sit and wait for opportunity to come to him. He was proactive. He sought out business. He started from where he was and created a business from filling the needs of others. He asked questions: "What would you like me to find for you? Folding bicycles? Sure I think I can locate some cheaply for you. Inflatable boats? Printer ribbons? Garden tools? Computers? Circuit boards? Doorbells? He became known as the man who could get it for you.

He believed in himself. Starting from nothing, but buzzing around like Road Runner he created enormous wealth. He didn't spend it on shopping or self-indulgence. He wasn't interested in drawing attention to his cleverness through conspicuous consumption. He didn't buy a new Mercedes or a big-screen television. He didn't take expensive holidays (He was travelling enough sourcing products.) He made profits by finding out what people wanted and finding a way to get it for them cheaply. Tapping into the Principles of Abundance he gave away products that people wanted at prices they couldn't refuse. You win-I win. Adrian would ring me up and offer me a truckload of Apple circuit boards at a fifth of the price I'd been used to paying. Why wouldn't I take the lot? I could pass them on to my customers at a third the price they were used to paying and make huge profits for myself and huge savings to the customers. Everybody wins!

Adrian taught me everything I needed to know: *'Always leave enough in the deal for the next guy. Don't squeeze too hard. Whatever else happens, make the sale. A sale is a sale, as long as you make a profit it's okay. Get in and get out quickly. If you're stuck with dead stock, dump it below cost. If it still doesn't sell, give it away as a gift with other orders. Don't waste your energy on lame duck products. Charge whatever the traffic will bear then give friend-of-the-family discounts on bulk purchases. Give the customer more than he expects. Be generous. The customer is King. Give him what he wants and you've got him for life. Sell out quickly, get your money in and buy another container of products that are going to sell even faster. Take cautious risks on new products. Always push the envelope. Question everything and avoid complacency. Avoid accounts. Buy and sell for cash and reinvest in stock. Avoid overheads and structure. Invest excess profits in income-producing real estate. And above all else, sell.'* What a mouthful! Condense most of this book and you have this paragraph. Come to think of it, why don't I put it in italics? You can buy a hi-lighter pen if you like and emphasize it further.

He invested his profits in income-producing real estate and he became outrageously wealthy. How long did it take him to make his first million? When I first met him he was just starting out. In his first year importing he made \$300,000 profit. Year two saw his assets hit a million.

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Okay, you want to be an entrepreneur like Adrian. You're looking for a turning point, something that's going to radically turn your life around, give you a new direction, and hopefully score you a few million in the process. Well, let me tell you, it ain't gonna happen on wages. Yes, I know I showed Dougie how to make \$150,000 on ten bucks a week out of storeman's wages, and I can point to a few real estate millionaires who've worked for low wages all their lives. That's all the cautious and careful stuff you'll read about in books by Jan Somers, Bruce Davis and Paul Clitheroe. Cautious, careful and slow. Okay, yes, you'll most likely need to work for wages for a while to get some capital together, but let me tell you again: The fastest way to make your first million is to ditch your job and get a business happening.

Scary stuff. Throw in my security? Yes. Take a risk? Yes. Scary, yes, but it's like learning to ride a bike or a wind-surfer. It looks impossible but when you know the technique and practice it, you're a winner. You're going to need to sack your boss and go to work for your customers. And for that you need to put your brain into gear and think.

Where do you start? The moment you start looking you realise there is no shortage of opportunities. Every day, if your brain is as scatty and unhinged as mine, you are overwhelmed with possibilities for starting a business. Start where you are and look around you. Babysitting, mail-order garden furniture, home air-conditioner servicing, small-scale manufacturing, desktop publishing, lawn-mowing, car washing, home security, property maintenance, setting up a home nursery, plant hire, fish-farming, marriage guidance, concreting, mobile phone selling, craft and jewelry making etc. Help! It's like the Internet. We get bowled over by the number of choices and sit dribbling and mumbling in the corner.

How do you narrow it down? This is where the thinking comes in. You need to exercise your brain. And I'm not talking about cerebral activity alone. Thinking includes getting out and asking questions, researching, listening with your ears open, researching both sides of the street. Use your common sense. Listen to the seller and halve it, listen to the buyer and double it. Remember the Parry Paradigm: It's always harder than it looks, it always takes longer, it always costs more and it always returns less profit than you expect. And the tougher the problem the more unpredictable and out-of-left-field the solution. The more effort you put into research beforehand, the better chance you will have of success.

What do you want? Do you want to buy yourself a job? Plenty of dissatisfied business owners wanting to sell out. Or do you want to have an interesting, exciting life with plenty of money, things to do, people who love and admire you, power and challenge? Well, you could be ready to move into a bit of lateral thinking. Business is about finding a need and filling it, but entrepreneurship is about seeing an opportunity and grabbing it.

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Anyone can go into business. Ask any one of the 900,000 Australian business owners, there's nothing complicated about getting into business. The question is: Which business?

So many people jump into business on the basis that they're good at what they do, surely there must be a profit in it. Raoul teaches computers at university. He was so convinced the general public would pay for his teaching skills he talked his Dad into guaranteeing a \$100,000 loan so he could outfit his new business. A dozen computers, fancy offices, furniture, no customers. Within five weeks his partner landed in the divorce court thereby quarantining his guarantees and the father had to sell his home to meet the son's debts. Zero to minus a hundred grand in five weeks. I've seen and made some stupid mistakes in my time but I've yet to see the equal of this for blind insanity.

Where did Raoul go wrong? He put the cart before the horse. He didn't create his business on the basis of filling the needs of others, but on filling his own needs. Most businesses operate that way and most businesses are failures. Most people go into business out of personal necessity. They don't have a job. They have to do something to stay alive and feed their family, so they set up or purchase a 'business'. They look at what they're experienced in, what their hobby is, or what they would like to do and they start out to build a business around that. "Yeah, I used to work on a truck delivering flour to bakeries and I like cooking so I decided to set up a bakery." Hmmm.

Usually the result is disappointment and the owner makes little better than wages. We see this every Saturday in the classifieds Businesses for Sale. Upbeat little ads promising great returns with little effort. Owner reluctantly selling due to ill health. Rubbish! The owner is sick all right. Sick with the worry of trying to keep the business afloat and he's desperately trying to offload it before it sinks and drags him through the bankruptcy courts. Run with the mob and you'll be trampled.

How do you avoid that when just about everyone you hear about who goes into business with a golden handshake from their retrenchment pay-out ends up embittered and broke? Think. That word again. Run with the mob and they'll break your legs. There are no free lunches. Anyone who's trying to sell you something is by definition trying to advantage himself by disadvantaging you. A universal truth, only the scale and the camouflage varies. Far better to utilise your own ideas and retain total control than to tag along with someone else's formula. Avoid franchises or multi-level marketing. These are for victims. They paint a rosy picture and lure you in with the carrot of greed, and generally the money goes the wrong way, to the promoter rather than the worker. Keep away from get-rich-quick schemes. You will work yourself to a standstill to enrich the people above you. You've been given a brain. Use it. All a franchise is, is a slave/master relationship. Like the battery chicken, you are assured of a regular feed, but at what cost to your independence and ability to make serious wealth? Be independent. It's your best chance

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of making something from nothing. There are no free lunches. Use your brains to create your own money machine, not someone else's.

It is very easy to get lured into these get-rich-quick promotions and you'll need to develop your instincts to avoid them. Multi-level marketing is promoted almost to the level of a cult religion, and participants are whipped up into a fervor of zealotry. Network, or multi-level marketing is a creeping evil which destroys marriages, families, homes and lives in the headlong greed for money. The top 2% make all the cash by exhorting the remaining 98% to give it to them, lying through painted smiles that they too can make it big time. Avoid promoters who flaunt their own riches saying you too can be like me. It's just bait with a hook in it, trying to catch you with your own greed. Gordon Gekko was wrong. Greed is bad. Greed is the quick fix that tries to ignore the second Principle of Abundance. You may desire wealth and power and influence but greed is not the vehicle that will get you there. Aim higher.

On the Sunday morning of Independence Day weekend in Nashville, wandering through the 37 acres of the Opryland Hotel, I came across a vast church gathering in the 3 acre ballroom. Standing in the doorway I listened to the preacher for a while and his sermon concluded with a quartet singing Michael W Smith's song 'Friends'. The preacher then continued with exhortations to the emerald and diamond sales people to 'come on down' and the audience erupted in spontaneous applause. It was a network marketing convention! All that weekend I'd seen people wearing bright red T-shirts emblazoned 'Rizzi Family Re-Union' or 'Harris Family Gathering, July 3-6, 1992 Nashville' and I'd thought what wonderful, family-oriented people were these Americans. Thousands of family members had gathered for reunions on this holiday weekend and they'd even organized T-shirts so they could recognize one another. But it wasn't real. It was network marketing bringing people together in artificial, greed-constructed families.

You're unlikely to make any serious money buying an existing business, though you might selling out of it. To make serious money you're going to need to change your mindset, get focused on looking for opportunities instead of security. Most people go into business to find security, and all they end up with is self-employment. There's no security in that. And generally you're little better off financially. Do you see what I'm trying to tell you? There's being in business, and there's making money and the two are not synonymous. You can be in business and not make money. 70% of business owners can tell you that from personal experience. But to make money you've got to be in business. You've got to be focused on the business of making (and keeping) money. And to do that you need to focus on two things: opportunity and customers.

The good entrepreneur is a customer-focused opportunist. Running with the right opportunity gets you started but focusing on your customers gives you the competitive edge once your business matures. Run on opportunity alone and you're going to have to

recreate opportunity whenever a competitor picks up your idea and does it better. That doesn't mean you're going to have to travel to the edge of the known world and create a totally new kind of business such as writing a user-friendly, plain language interface to the Internet (a project, incidentally which will materially enrich the first programmer who does it). You can make plenty of money in a copycat business if you do it right. Whichever way you jump you're still going to have to use your brain. Suppose, for example, you wanted to start up a common business such as a bakery or a hairdressing salon. How are you going to differentiate it from its competition? Take a look at the competition and come up with something different or better. What are they doing right? Look at how Stefan Ackerie did it. A poor immigrant in outback Queensland, all he knew was cutting hair. So he started out giving free haircuts to people in the local retirement home. News of this spread through the bush and inquisitive locals came to see the idiot who cut hair for free. And they stayed to have their hair cut. And paid for it. And now Stefan's a zillionaire. From cutting hair! His philosophy? The heart that gives is the heart that gathers. How can you create a quantum level of difference that will differentiate you enough, and meets the aspirations of your customers, to guarantee your success?

You don't have to be different to succeed but you do have to be good at it. The more commonplace your business concept, the more efficient and customer friendly you're going to have to be to make a success of it, and conversely, the more off the wall and different your business concept the less efficient and more customer clumsy you can be. Sometimes the best way to differentiate yourself is to do what you do so well your customers would never think of going elsewhere. However, if, like me, efficiency is not your strong suit you'll need to come up with something different and original, highly profitable and far removed from competition. Back in the 80's I was in the right place at the right time to ride the PC wave, and before the competition got wind of it managed to sell 13% of the diskette market in Australia. Not bad for a backyard show. Fortunately as competition tightened we managed to reinvent the company and get efficient just in time to avoid falling off the wave.

To make money, we need to sell something, and to do so effectively we need to position ourselves or our businesses so that sales happen automatically or inevitably. The key is to look for choke points, places in the equation where the customer has severely restricted choice, or no choice, but to buy from us. These 'ambush points' rarely occur naturally and usually have to be created, and this is where good business sense comes into play. Variables include, location, product, price and service, all designed to slow down our potential customer long enough to convince him to buy. We can create ambush points by taking a range of products that the customer needs and pricing them so low that he has little option but to buy. Discounting, however, is self-limiting. If the competition doesn't beat you, low profitability will. We can endeavor to corral our customers into our franchised exclusive territory, but if it's a good product or idea someone will come along and emulate it and do better.

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What we need is either the key to the toilet door at the day/night one-day cricket, or the key to the light switches. We need either a product that a large number of people want, or a product that is critical to a few people. Business is about finding that critical advantage and exploiting it without exploiting people. The more limited the availability for our goods and services, and the greater the need, the greater the likelihood that we will make the sale. The tricky part is creating that scarcity and need.

We need to tap into the natural inclinations of the customer and create a sand trap that she will fall into nine times out of ten. Look at Telstra. Telstra is a government telephone service which has recently privatized and is looking to make profits for its shareholders. One of the loss-making services it provides is Directory Assistance and given that it is free it is over-used by people too lazy or illiterate to look up the phone book. Telstra sought to apply a \$0.50 charge to this service but were refused permission by the majority shareholder, the Federal Government.

How did Telstra respond? They created a new Direct Connect service which *dialed* the number for you (for a fee of course). They provided instant response to your call, as opposed to the 'iron-curtain' response on their free service and they tapped into the natural synergy of the system. People became lazy, they used Directory Assistance instead of the phone book, and the natural extension was to dial the number for them. Anything which saves effort, e.g. remote controls, computers, mobile phones, fast food etc will be readily adopted and is the source of many business fortunes.

I liken starting a business to going fishing. You can invest all your effort into one line or you can set a larger number of lines and respond to the ones that catch a fish. To determine what business to go into I tend to advocate the latter approach. It's too easy to be wrong about an idea. Sincere, but wrong. We can too easily climb the ladder of success as it's placed against the wrong wall. The customer is always right. Let the customer decide which of your business ideas is best by trialing a variety of approaches. There's no harm in making mistakes. The harm comes from not making them. We learn by trial and error.

It comes as second nature to me now to constantly test the edges of the envelope. If I've invested huge energy into winning a contract I'll keep some energy in reserve for a completely different approach such as making a strategic investment in an emerging company or spending time seeking out Internet opportunities. Nothing is so daunting as putting all your eggs in the one basket and watching year by year as they wither and die. You can take this approach when you're starting out and jump ship if it starts to sink (Sorry about mixing metaphors) or you can build in some redundancy by putting out half a dozen fishing lines.

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So often in life I find my own predictions and hunches prove wrong. By letting the market dictate my moves, rather than my own preconceived conceit, I can almost guarantee that I will succeed. I am reminded of the story of the customer who took a roll of film to a processing shop:

"Could you process this film please?" she asked.

"Sure", said the attendant. "That'll cost \$19.95"

"But it only costs \$7.95 across the street and they give me two for one!" she spluttered.

"Well, ma'am" he said "If price is that important to you, I guess you'll be better off going over the street. But we sure have a good quality print here."

She stood thinking. "Look, give me that film back. I can't see how your processing can possibly be worth more than twice the price of the shop across the street."

"Here you are, ma'am." he said. "Sorry we couldn't be of service." And with that she twirled on her heel and marched across the street.

A customer who had been listening to this conversation remarked: "It must be hard competing against such low prices. Do you get many customers like that who desert you for cheaper prices?"

"Sure!" said the shopkeeper, "about a quarter of them."

"Doesn't that make you mad?" enquired the customer, curious at the shopkeeper's seeming indifference to lost business.

"Oh no" he muttered absent-mindedly, "I own the shop across the street."

Summary

- To be an entrepreneur you'll have to take risks
- Focus on sales. Everything else is window dressing
- A good entrepreneur is a customer-focused opportunist
- An entrepreneur needs to be different
- We need to create 'ambush places' which impel customers to buy from us
- Take out some insurance with a number of different sales approaches and let the market dictate your success

Chapter 5 - So What Am I Going to Do?

The cheapest and simplest way to get into business is selling your services. Not a good long-term prospect unless you intend to employ lots of other people to do the work for you, but a great place to start in order to get your bank together so you can do some serious entrepreneurial activity. You might do house cleaning, desktop publishing, managing rock bands, car washing. Jodee Rich, a friend with assets now in the hundreds of millions started out while he was still in school hiring fish-tanks to businesses. Kip McGrath, a former business partner with 400 franchises, started out coaching math for pocket money. You have to start somewhere. And all you have to do is get up off your chair and do it. One of the coolest entrepreneurs I've met, and it's just a step up from washing windscreens at traffic lights, was a guy who accosted drivers as they entered a city parking lot asking if they wanted their car washed. If yes, you paid \$20, he put a sticker on your window and came to find you with a bucket in a pram. All cash. A hundred bucks an hour. You don't have to be flash to earn cash. Just smart. And I guess too, you need to have the confidence to just do it. I mean who'd be a wussy busker fronting the public for \$5 an hour when you can take it a level further and make real bucks?

Fronting up takes confidence and practice. You've got to front up at work or the dole office, why not front up for ten times the money? Another exceedingly cool dude was the guy who imported a whole bunch of (probably pirate) Simpsons and Daffy Duck style socks and ties and flogged them door to door. I talked with him about his business when he fronted our office. Cost \$2. Sale Price \$10. All cash. Smiling very broadly all the way to the bank, or in his case, the biscuit tin in the backyard.

Set your sights high. Most people sell themselves way too short. If you're going to be a successful entrepreneur you have to believe in yourself with a deep, unshakable faith. Even if all around mock you, keep your eyes on the goal. Stephen, my mate Bernie's brother-in-law is a well-known sculptor, having been commissioned to produce a million dollar sculpture in Sydney as well as various half million dollar municipal projects in regional cities. I ran into him at Bernie's place. They'd invited us over to meet Stephen and his family before they went back to Tasmania. Now, to be as polite as I can, Stephen was temporarily short of funds. He'd hitch-hiked around the world, paying for his family's passage by doing crayon portraits. He'd been down to Antarctica on the Rainbird and had spent 6 months in Ireland tramping about in a horse and covered wagon, and had arrived in Newcastle on a tramp steamer bereft of the readies to make it home. Bereft, in fact, of the 30c to make a phone call.

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So the three families got together for a takeaway pizza washed down with chateau cardboard and Stephen regaled us with his adventures. Half way through the hilarity the bottom line surfaced and he hauled out his portfolio of crayon drawings and asked would we like to buy some.

"Sure", I said, with the expansive magnanimity of the man with cash in his pocket, "Give us a look".

And he proceeded to casually leaf through a vast pile of over-large sheets of paper all colorfully infilled with purposeful crayon smudges and outlines. They were good. Even I could see that. None of that impressionist garbage. Interesting perspectives on seagulls looking down on the ice-covered base camp. Seals. Penguins. It was good and I got carried away with excitement and generosity and selected 6 works. "That'll be eighteen grand." said Stephen. I looked at his face to try to interpret what he meant. No trace of a smirk. I waited, in the classic 'He who speaks next loses' negotiating ploy. "Yeah, three grand each. They'll retail for five." He wasn't joking. I couldn't take it in. He was serious. Here he was, some old bearded tramp I'd never met before, down on his luck, flat broke and he's hustling me like this was the Dorchester. "Get outta here." I intoned in perfect Seinfeld speak, "No way!" And there wasn't either.

Five months later we're in Tasmania doing the tourist thing and we end up in a gallery in Richmond. Familiar paintings line the walls. Stephen's. All nicely framed. I looked closer. Five grand. Five grand. Six grand. And I looked again. Red sticker. Red sticker. Red sticker. All sold. I felt a total goose but it taught me a good lesson: Don't undersell yourself. The way things are now is not the way they'll always be. The end, my friend, is not yet.

Keep your eyes open, stay close to the action and look for opportunities. Sean was an employee in a used car auction business, twenty something, when one of his clients offered him a bunch of superseded computers. His first reaction was "Not my thing", but he did something that only one in a thousand do. He thought. He took his folding chair and went to the sideline and looked at the game he was playing and considered his choices. Here was the turning point that would turn his life around from a used car salesman to a multi-millionaire. And he decided to grab this opportunity. He took a punt and bought 300 used PC's. Today he's out of cars and into superseded PC's. He can't get enough of them. His clients fax orders from Eastern Europe, the Pacific Islands, South America, Tasmania (Sorry, Stephen. Having a lend of you. That last bit's not true). All he needs is a phone, a fax and a storeroom. Adding value to the equation he began sourcing new replacement PC's for the companies updating. An enormously profitable undertaking, despite the slim margins, given the huge numbers involved. He did a deal through his mate Brian to arrange leasing. Brian has now sold half his business for two hundred million.

Incidentally, you're a hundred times better off selling product than time. The companies selling services to my company, the mailing house, printer, courier etc had to work extraordinarily hard in an enormously competitive environment to make as much as I did advertising and sitting back taking orders. And they had to invest millions of dollars in infrastructure to make trivial profits. Like the shark they had to keep swimming to stay alive and they were constantly chasing debtors and investing in new technology to stay in front. It's always a temptation to buy your way into a seemingly protected business by purchasing expensive new technology and charging hundreds of dollars an hour for your services. This will work for a little while, but one of two things will happen: you'll get competitors, or the technology will change and you'll feel obliged to spend all your profit and more on these new toys to stay in front. In the computer industry we spent over half a million dollars on hardware that's now landfill.

If you want to make a million this year you're going to have to charge a thousand dollars an hour for your time. (I make that speaking at seminars, but sadly, I'm only on a few times a year!) Sell time, even franchising the time of others in your control, and you won't make much more than a million a year at most. I have a friend with a large service chain both here and overseas that has taken him 20 years to put together, and at lunch recently he declared his ambition was to make a million dollars after tax. I used to get close to that with a staff of 3 selling cheap and cheerful Chinese junk. Sell product and you're selling someone else's time, and that's unlimited. I think of the guy who took a punt on a container-load of Mexican ornaments about 8 years ago. He set up a tent at our local service station a couple of months before Christmas and sat there for 6 weeks till he'd sold it all. \$50,000 makes \$600,000 in 6 weeks. All cash.

Find a need and fill it. Or find an opportunity and grab it. Sometimes stuff just grabs you by the throat and says: "Do it!" When compact fluorescent light-bulbs first came out my undisciplined brain said: "This is gonna go like Crunchie Bars at a Christmas party" so I grabbed a few Wotans and advertised them. Crunchie Bars no. Tripe sandwiches yes. Wassamatta? They were a great product, they lasted 8 times longer and they cost a sixth as much to run. And they cost *30 times* as much to buy. But a couple of years later I'm in Hong Kong and I see an ad for a compact fluoro maker. And I wander through the alleys, my agent checking all the time on his mobile phone, "We're getting closer to you. Where are you?", and after scrambling over boxes and up a flight of stairs we come to a 'factory' on the 8th floor making these new high-tech lights. Three bucks each. I see the exact same product being sold today in the discount chain stores in Australia for \$26. And I think: "Somebody, somewhere is going to make a killing selling these at \$9.95 each!" That could be you.

A few years ago now I sent my stepson, Adam to Eastern Russia on a wildlife doco filming assignment. He was also part of a consortium setting up the first commercial tv

station in Vladivostok just after glasnost. The country was (and still is) falling apart. The consortium had purchased a whole block of downtown Vladivostok for a couple of hundred thousand and were preparing to build a casino as one of their first ventures, which will give you an idea of the carpet-bagging nature of the group. I gave Adam a drawerful of US\$1 bills and told him to keep his eyes open. I had them left over from trips to the US where tipping has reached the level of a social evil. You have real money in one pocket and \$1 bills in the other for tips. The tips drawer was the rouble equivalent of \$8 million, enough at that time to buy an army tank and a Sikorsky helicopter as private transport for the crew and still have enough left over to live like a Byzantine prince. Months later, after he'd exhausted himself in the flesh-pots of Irkutsk, with \$5 to his name, on the day before returning home, remembering my injunction to go forth and buy something, he went to a local market to see what turned him on. Nothing. Russian dolls. Lacquer boxes. Nothing. And he came upon an elderly babushka knitting beanies. Cashmere, double layered with ear muffs. Feeling defeated that this was all there was available, no painted icons, no treasures, no great works of art, he despondently proffered the \$5 and gestured in deaf Russian granny-speak "How many for this?" The babushka trembled, put down her knitting, shook with shock and disbelief as she laid a groundsheet on the floor and proceeded to empty the entire market stall into it. 600 beanies. Burdened with a huge sack of beanies, Adam went back to his digs, sorted out the best ones and threw half away.

On his return to Australia, Adam gave hundreds of beanies away to all and sundry to the point where people greeted him with: "Stop. You've already given me beanies. I don't want any more." With half a suitcase full to dispose of, Adam came up with the idea of offering them to Pete at the local ski shop. "Yes, I'll pay \$20 for them." Said Pete. "Great!" thought Adam. "A profit. I've quadrupled my investment" And Peter proceeded to write out a check for \$1200. \$20 each! Six months later Pete rang: "Adam, have you got any more beanies?"

Money comes from the simplest sources. We need to open our eyes and look at things not from our point of view, but from the point of view of a potential customer. What to you is useless junk, to another is priceless treasure. The only difference is the perspective. If you live in the bush amongst great slabs of turpentine and ironbark and all around you are fallen branches you tend to take the bushie view and see firewood. If you're my mate Ken you see opportunity. Bush furniture. Common as bulldust out here. The height of chic in Cherrybrook. A grand a day for playing with a chainsaw. All cash.

What do people want? If you can work that out you'll make millions. Occasionally we just fall into it by accident and sometimes it just evolves. But it all requires thought, creativity, lateral thinking. Put yourself in the other person's shoes. What does he want? Everywhere there's opportunities. Everywhere! I dropped into McDonalds late one night, it was closing so I went through the drive-thru. (Don't you love the subtle colonization of our language) and I noticed a row of potted figs standardised into topiary balls. Hundreds

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of them. On reflection I remembered seeing them in our local nursery at \$199 each. Even in bulk they'd have to cost over \$50 each. And I considered how easy it was to grow figs from cuttings and shape them. There's a business right there. Look at the trends. City living, smaller gardens, baby boomers retiring, courtyards, café society. Set up a specialist nursery. Call it the Sculptured Garden. Grow topiarized figs, Murraya, honeysuckle, syzygium, box etc. Buy the moulds for expensive pots and statuary and make your own in fake sandstone. You'll be as flash as a rat with a gold tooth before your neighbors draw breath.

Summary

- Selling your time limits you. Selling product is unlimited
- Don't undersell yourself. The world will pay whatever price you charge
- Opportunities are everywhere. Don't overlook the simple things
- Think laterally. Life is short. Go for the main chance

Chapter 6 - How Do I Get Moving?

To really get mobile you must look at the trends. And I don't mean transient fashions. That's just being a victim. I mean the deep, underlying groundswell of change that most people miss because they're totally focused on the now. Sure, you can fall into it by accident but it seems to me if you do the mental discipline of trying to make sense of the big picture you'll be ready with your engines running, on the runway with a clear map of the world for when you decide to take off. Most people don't think or plan or reason at all. Most people are too busy making a living to make money. They are by and large the mindless consumers of whatever pap is fed them. You can swallow it if you want but you've been given a brain for a reason. Yes, thinking is hard. But consider the alternative. And you must out-think the game if you're to succeed.

So consider the deep, underlying trends:

- a polarized society with a growing gulf between rich and poor, skilled and unskilled
- exponential expansion of low-cost technology (mobile phones, GPS, Internet, CDROM, faxes, PC's) which empowers the individual and allows him to do more with less
- convergence, overnight adoption, acceptance, de facto standardization and indispensability of new technologies (CDRom based GPS mapping in entry-level cars is a classic example. Soon the entire surface of the earth will be GPS-coded on CD)
- emphasis moving from molecules to electrons, from hardware to software, from goods and products to information, from physical possessions to knowledge, from the material to the spiritual
- exponentially increasing rate of change with shorter systems and information half-life with need for ongoing learning and reskilling
- higher skill, flexibility, heuristic reasoning and intelligence requirements at the top end and elimination of lower skilled jobs at the bottom end
- longer working hours for those in work, with husband and wife both working
- low or zero inflation with the prospect for deflation, ending 50 years of inflation

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- 37% of the population dispirited and disenfranchised deriving more than half their income from welfare (Australian figures)
- loss of community resulting in irrational fear and cocooning, home-based activity and flight to traditional values
- more punitive, anti-crime and user-pays sentiment - economic rationalism eroding the caring society producing a feared, disenfranchised underclass
- trend to inner-city living in Australia, gated suburban communities in the US, smaller cars, households down from 3.6 to 2.4 persons per dwelling
- loss of family authority, sole parents, rise of peer group
- a sense of personal powerlessness
- lack of respect for authority figures such as police, lawyers, teachers and accountants
- cheaper manufactured goods including houses
- dearer land, smaller blocks
- a tendency to mass marketing of products and events which is resisted at the personal level by behaviour emphasizing personal individuality resulting in marketers ever more carefully targeting and delineating customer loyalty
- aging population and so on.

If you know what's happening now and what's likely to happen in the future you can position yourself to ride the emerging wave rather than engage in the random paddling of the mob.

Consider some of the opportunities these trends throw up:

- providing home services to the DINTs (dual income, no time), car servicing, cleaning, gardening, window washing
- specialist consultancy
- home security
- garden retail

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- mail order
- Internet selling
- reskilling services
- specialty retailing such as fishing, computers and executive gifts
- commoditizing services such as stock-broking, wills, conveyancing, private schools, welfare broking, private jails etc.

If you can bring together a number of converging trends such as cheaper technology, the aging population, cocooning and biotechnology you can create a very powerful business such as a specialist nursery which uses computer technology to reinforce its customers loyalty.

The tendency when thinking about the future is to think it's all bad. This is a trap. Opportunity can only occur with change, and we are living through times of dramatic change. This is your time of boundless opportunity if you're clever enough to position yourself to anticipate the waves that are coming. While there may be scary, radical reconstructions at times and a heavy price payable in environmental stress, history demonstrates that we will survive and thrive regardless of change. Look at Vietnam. Look at China. You can be part of that or you can swallow the pap that you're powerless and 'they' have got it all sewn up. Nobody, not even Microsoft, McDonalds or Coca-Cola can capture 100% of the market. There will always be room for one more, particularly an innovator. All you need is a good idea. Gourmet fries, fluoro shoelaces, rigid shade-cloth fence panels. The market will move over and endlessly resegment for you if you have a good idea. To succeed you need to dispose of 'victim-think'. You're as good as anyone. You have the same opportunity. We can too easily fall into the trap of thinking we're not good enough or that the only ones who succeed are people who inherit money and privilege. Rubbish. You have a brain and more importantly, you have common sense. Henry Ford, arguably this century's dominant industrial figure sued a columnist for reporting he was a man of low IQ. "Nonsense", said Ford "Give me any problem and I'll find the person on my staff to solve it today." Ford may not have had formal qualifications but he knew their value. He employed people smarter than himself but he pocketed the cash. Or as our local luminary succinctly puts it: "PhD's are nothing. I employ dozens of them."

Summary

- Look at the deep, underlying change happening in society
- Look for an opportunity which takes advantage of the groundswell of change
- You are good enough. You can do it.

Chapter 7 - How Do I Break Away From The Ordinary?

Look at the big picture, but take the time to dream. Don't make the mistake of being too focused. Most would-be entrepreneurs fall into this trap of earnest effort, thinking if only I work hard at pursuing my goal I'll succeed. They burn out. Relax and listen to your instincts. It takes more than determination to succeed. It takes intuition, reverie and a little spark of madness. Disengage your brain and let it float free. Don't focus on minutiae. Listen to Obewan Kenobe. Use your peripheral vision and feel the big picture with your eyes and your instincts. Have you ever watched ants in the grass? The moment you look at them you can't see them. When you defocus and look 'through' them you can see every ant. It's like that in business. Focus hard on something and you can't see it. Relax, and use your peripheral vision, taking in the big picture, and it all becomes clear. Look at what is and play devil's advocate. Playfully mix metaphors and materials. Ask "What is really at stake here? How can I do more with less?" Push the envelope. An ashtray becomes a flak helmet for a flat-headed pygmy. Imaginary bullets whistle past our ear as we involuntarily calculate angles of reflection in real-time 3-D. Words become playfully mangled. Shoes become helicopters. Reality becomes optional.

Don't limit yourself with small ideas. Go big. Then go bigger. Life is short. Imagine yourself near the end of your life. What are your thoughts? "I wish I'd taken more risks"? The only time you have is now. The only person responsible for where you are is you. If you don't dream big dreams for yourself who will? Your mother? She can't make it happen for you. But you can.

We all live with self-defeating, self-limiting beliefs. These come from our upbringing and our experience. We like to think of them as 'common sense'. But if we look carefully at them we can see they are fear reactions. Fear of change, fear of failure, fear of rejection, fear of the unknown, fear of pain. False Evidence Appearing Real. When we experience these fears our delicate psyches throw up wheel-spinning dust-storms of "I can't. It's impossible. It won't work. I'm not good enough. I really didn't want to do it. It's not my cup of tea. The grapes are probably sour anyway." Self-defeat, negative self-talk.

To dream big dreams and bring them to fruition in the face of not just the mockery of others but also the termites in our own heads is nearly impossible. We have to learn to believe in ourselves. How do we do it, particularly in the face of our past poor performance? We need to re-examine what we describe as failure. Thomas Edison was asked why he persisted with the goal of developing an electric light-bulb in the face of his obvious, ongoing and abject failure. His response gives us a clue: "I have not failed. I

now know 10,000 ways of developing an electric light-bulb that *don't* work." He redefined the notion of failure. We need to do likewise.

I like to think of past failures and poor performance as the necessary groundwork for where I am today. They are the training exercises, the muscle, experience and wisdom-building exercises I needed to do to get where I currently am. How could I have written this book for example, without the fifty years of bumps and bruises that went into it? If I had led a perfect life and had perfect experiences to share with you, what value would that be to you? Nobody achieves constant success. If they did, they may turn out to be a hothouse bloom that withers the moment they encounter hardship. Far better to encounter hardship early. Hardship, failure, rejection are the necessary prerequisites for your success. If you've allowed them to sap you of your confidence, reconsider. They are the *best* things that can happen to you, not the worst. All the great breakthroughs and discoveries have been made by people stumbling in the dark in uncharted territory, bumping up against failure after failure only to finally stumble on success. Jonas Salk, Winston Churchill, Marie Curie, Crick and Watson, Abraham Lincoln, Columbus, Galileo all experienced failure, rejection, ridicule and self-doubt yet used their failures and hardships as opportunities rather than obstacles.

To become outrageously successful in life we need to follow suit. We need to change the way we perceive reality. We're not changing reality. We are where we are. That's undeniable. We're changing how we look at it and that will make all the difference. As Oscar Wilde said: "Two men look through prison bars. One sees mud, the other stars." Just as we can sabotage ourselves with negative self-talk, we can turn our lives completely around by positive self-talk.

How does that work? Try this experiment. The next time you feel depressed, rejected and forlorn (and you will not feel like doing this experiment at that time, which if you can overcome this inertia and do it, will prove that the technique works and is not just auto-suggestion) tilt your head back, look at the sky and grimace. Twist your face into a wide grimace, as if you are smiling. Scrunch your eyes up tight. Now open your mouth slightly and breathe out a long "Yeeesssss". Can you feel your mood changing? Flap your arms. Jig on the spot. What you are doing is fooling your body into thinking you're happy. You won't feel like doing it. All your instincts and self-pity will try to sabotage what you're doing. But the physical act of doing it will confuse your brain. Your body is sending happy signals to your brain. Your autonomic system automatically and with no way you can prevent it, overrides your free will and the brain starts secreting Serotonin. The Serotonin floods your brain and you now have no choice in the matter. You actually now have to work hard against your brain to maintain your state of depression.

Whistle in the dark. Fake it till you make it. These are powerful neuro-linguistic programming (NLP) techniques which force your brain to take a positive route. All

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successful people use them whether they're aware of them or not because life's star chart is never constantly up. To overcome the downs we need to have enough ongoing forward momentum to bring us back up. Fear and self-doubt are the friction of entropy that drag us down. Positive mental attitude is the jet thrust of synergy that lifts us to the stratosphere.

It's not all hot air. There is substance to self-talk. There is truth to it. You can do it. You are not a failure. Your past actions may have failed to produce the desired outcomes but you now have one more arrow in your armory. That didn't work. I know not to do that again. But we can become habituated to failure and come to expect it. And of course we get what we expect. The brain, at the autonomic level, is a very simple servant. It sifts through the chaff to the dominant thought or emotion, and wishing to please its master, it obliges by clearing a path so the dominant thought can be realized.

Now, you may have been laboring all your life under the delusion of free will and self-control. Sadly, I now need to disabuse you of your misapprehension. You are not in control. Your subconscious is. Your autonomic system, the subconscious, allows you to have these delusions of grandeur because it knows you're a sensitive soul and may well sulk outrageously if the sweets are taken from you. It's rather like the relationship between Sir Humphrey and Jim Hacker in "Yes, Minister". Jim thinks he's in control, Humphrey knows he is. Try this: Go to the pool and make the conscious decision that you're going to topple stiffly off the diving board with your hands by your side. You know intellectually that you won't be hurt (much). You've steeled yourself for the fall. You've told your hands to stay put. You close your eyes and allow your body to fall. What do your hands do? They have a mind of their own. You see, the autonomic system takes over and says "What are you doing you fool? I'm going to have to take charge here to stop you killing us both." It will take a great deal of practice to override the subconscious but only after the conscious mind has satisfied itself, and more importantly, the subconscious, through trial and error that the body which houses them both really won't suffer damage.

We can use our autonomic system to advantage. By planning for success, preparing, practicing, rehearsing we condition our subconscious mind to start working on our behalf. Achieving our goals becomes the dominant thought and emotion and creates a furrow in the mind for all future actions to travel down, rather like playing golf on a sand green. If you scrape a furrow the ball has to go in the hole. If you condition your subconscious to only visualize success and refuse to accept failure as anything other than a pop-up signpost telling you where not to go next time, you have enlisted the aid of your most powerful ally and you have no other choice but to reach your goal. Your subconscious will not permit any other outcome. The catch-cry of the subconscious is "There is nothing so powerful as an idea whose time has come." Or to quote Alice: "Nothing is so lest thinking makes it so."

Success and failure are like doing a maze puzzle. You don't snap the pencil each time you come to a dead end and say: "I'll never do it. This is hopeless!" You take the positive approach and say: "I've been down that path and it leads to a blind alley. That's good. I know not to do that again." You get excited each time you eliminate a blind alley because it means you're that much closer to your goal. As you keep eliminating all the blind alleys you start to illuminate the path that's most likely to yield results or you start to get a feel that this is an unproductive part of the maze and you start again from a more hopeful entry point. The good player becomes intuitive about the game itself, using a positive self-image to eliminate irrelevant distractions of personal adequacy to focus on the logic and the flow of the game.

Try to converge deep and transient trends into something innovative and saleable. Look for synergies everywhere. Examine the evolution of the car. This is not the doing of engineers or number crunchers, though these people implemented the concepts. Look closely and you will see constant, ongoing genius at work. Smaller, lighter, roomier, more fuel-efficient, cheaper, safer. What an exciting time to be alive! At each point someone has asked: "Why?" And the dull response is: "Because that's the way we've always done it. If it ain't broke, don't fix it." But this will not satisfy the curiosity of genius. Genius asks: "Why not?" Genius always wants to do more, to achieve more with less, to create elegant, simple solutions to complex, dynamic problems.

Genius doesn't just happen. It's not a gift. It's something you create, awakening the potential inside you, by deciding to do so and working on it. You don't believe me? It's true. We all have insane genius buried inside us waiting to be nurtured. We use less than 10% of our brain. The rest is genius waiting to happen. Why is it we respond to music or poetry? Why do our emotions jump to full alert when exposed to a film or book that strikes just the right chord? We are born with resonance to genius and what resonates can be turned to create its own song so it too can 'dance beneath the diamond sky with one hand waving free, silhouetted by the sea, circled by the circus sands, with all memory and fate driven deep beneath the waves just to forget about today until tomorrow'. We all have our song. We all have our dreaming. All things are possible. All things are connected.

Nurture the crazy spark of genius while you're getting your worldly wisdom and you'll achieve just the right balance of dour brilliance to walk and talk simultaneously. Move over Yahoo Serious. Here comes a balanced man. You're going to need it because you're going to need to hold apparent contradiction in your head and not panic. You're going to have to leap into the unknown with nothing to back up your decision but gut instinct, because at some time you will need to make a decision ready or not, happy or not. You won't have the luxury of procrastination. The decision not to make a decision is a decision in itself. You won't have the luxury of certainty. You won't have anything provable or tangible to back you up. All you'll have is your intuition. You'll have to make

decisions in the face of blatant, unresolvable contradictions and you'll get sick of hearing yourself say: "I don't know." You'll need to be able to juggle this and make a decision anyway. Indeed, if we only ever made decisions whose outcomes were known we would do nothing. To be good at business you need to gather all the known facts, think, think some more, tease it out and worry it to a standstill, and then make a decision on intuition. If you lack that streak of heuristic fuzziness, that jolt of unpredictability, you're dead. Walk onto the field with a computer program dictating your moves and in time your opponents will see the pattern and cut you off at the knees. Be a little crazy for your health's sake.

See if you can find the book *The Twelve Axioms of the Gnomes of Zurich*. My dogs chewed it up years ago and I haven't found it since, even on the Internet, but the gist of it was this Swiss guy wanted to write a book on the principles of business. So he asked his Dad who was a successful entrepreneur and he got together with his mates and they formulated 12 principles they used to make money. I can't remember them all but it was things like: If you're not worried you're not risking enough, When you think you've got it all worked out you definitely haven't, When the ship starts to sink don't pray, jump, Put all your eggs in one basket and watch the basket, Always sell too soon and so on. Business is more art than science. Without the science you're cactus, but without the art you're ordinary.

What are the qualities you need to nurture that allows you to turn the ordinary into the extraordinary? What was the spark that took a humble product like the hamburger and turned it into the world's most recognized logo and second-most recognized brand? Who saw the opportunity to take the pizza and turn it on its head from an interesting hand-made ethnic dish to Australia's leading home-delivery fast food? What spark of insanity caused Sean Howard to toss in Australian Personal Computer and gamble everything he had on Ozemail? When you think you've got it all worked out, you're dead in the water. There is some logic, but it's mostly gut instinct. Avoid like the pox the snake oil salesman with the sure thing. Look at the reality, not the presentation. If it's real, you'll know it, you'll feel it in your guts. Oftentimes, the less real it is, the slicker the presentation. Nothing is certain. Run on instinct and if you haven't got any, develop it. Develop your instincts for people. Spreadsheets and projections can be consumed by the flames of change as quickly as the paper they're printed on.

There are no limits. All things are possible. But you have to believe in yourself. You have to have the courage to front up when the world mocks and sniggers. Remember too, the majority of people are wrong the majority of the time. If you follow the advice of the majority you'll end up like them. The majority will tell you it can't be done. It's common sense. It won't work. Do not listen to those who sagely spout common sense and wallow in their mediocrity. When a member of my staff reminds me of the impossibility of a task my answer is: "I know it can't be done. I don't pay you to tell me what I already know. I pay you to tell me how it *can* be done!" So often people pull up at the first hurdle,

delighted that at last they can rest, secure in the knowledge that it can't be done. What differentiates the winner is he sees obstacles differently. He sees them not as stop signs but as opportunities to change to a better direction to achieve his goal. He doesn't alter his goal, just the route he takes to achieve it.

The cynicism of the 'realist' is the cheapest form of advice and the most expensive form of blueprint. Believe in yourself. You can do it. Mindless yapping is the currency of the disgruntled. If we stopped for every dog that barked we'd never get home. This is your journey, not theirs. Map it out for yourself and play your cards close to your chest. You need the encouragement of the optimist, not the energy sapping of the self-styled realist.

Everything is changing so quickly that the mental map of the world we acquired in childhood from our parents and our social environment is not only largely wrong or irrelevant, in many instances it's counterproductive. Examine the world from multiple perspectives. Question everything. Believe in yourself. You're unique. Nurture your intuition and craziness. Take a different route home each day, randomly pick up hitchhikers and go out of your way to talk to strangers. Remember the Principles of Abundance. Give yourself away. Spend yourself helping others. You get what you give away and you'll never know when it'll return to you. Terry, a friend in investment broking, bought a cappuccino for a complete stranger in a crowded ski-field café. Two years later the stranger is a friend and has entrusted \$24 million to his care. Always risk. It will be right for you. Play safe and you're comfortably dead. The big opportunities are discovered by those of a whimsical bent who are not put off by worldly wisdom counseling caution. Take big, carefully calculated risks but nurture your intuition. I find I have to rely on "How does this feel in my guts?" for my big decision making. Whenever I'm making a decision about real estate, for example, I'll walk the land by myself and allow the feel of the place to soak into me by a kind of spiritual osmosis. Does it feel right? If it feels right for me then chances are it'll feel right for potential buyers of the development. And most of the time the answer is no. Don't be afraid to say no. It's far more important to learn to reject the valueless as the really good projects will stand out regardless. If you're tangled up with the merely good you'll miss the best. Be patient. Wait.

Your greatest asset is you. Be real. Fool others at your peril but fool yourself and you're already dead to the opportunities before you. People respond to people. If you lack integrity you must develop it. Focus on the goal alone and you'll be driven and miserable. To comfortably hit your goal, aim higher. Don't be a sleazy salesman painting a smile on your face because it's good for business. People see through it. Go the extra mile as a matter of course. Make it a habit. Ask: "What can I give rather than what can I get?" and life will be easy. We only get what we give away. If you want money you must give value and service. If you want friends then go out and befriend others. Avoid cynicism. So often we become so goal-focused we blinker down and reject much that is positive. Greed may get you to your goal, but it's love that makes it palatable.

Develop the ability to see beyond how things are now to how they might be. To create real wealth we need to tap into the power of synergy where the whole is greater than the sum of the parts. There is no lack, no shortage in this world, no insuperable problems, just opportunities. Fear will block us if we let it. Learn to ignore fear. Mostly it's mindless yapping and will go away if we don't feed it. Fears rarely eventuate and never happen the way we expect, so learn to avoid the wasted energy of worry. Set your fear threshold higher. Respect reality but keep it in balance. Trust in your own ability to manage risk. Sufficient unto the day is the evil thereof. Keep your eyes on the goal and dream big. With a little creative thought that worthless chunk of over-priced swampy land that's been on the market for 8 years can become a prestige development with a central lake. Strategically placed plants, fences, gateways or an hour's bulldozing can change the view and add 20% to the perceived value of the property. The greatest asset you have is your imagination. Look imaginatively at what is and imagine what might be. If you lack imagination, develop it. Practice. Whatever you lack, intuition, wisdom, integrity, courage, imagination, creativity you can develop with practice. Look around you and ask yourself: "Is there a better way?" Some years ago I was visiting a Taipei watch factory and remarked on the pile of festering cardboard boxes littering the alley.

"How long have they been there?"

"Always since I start ten years. Maybe nobody take it away."

Within 2 years a friend of Tony's had a contract with the Taiwan government to recycle cardboard, opening up a huge business opportunity. In the US they burn garbage. The ash is a disposal problem. In Siberia they have spent coal-mines. Chris, an expatriate Englishman in Hong Kong, who financed Adam's publishing venture, now has a contract to ship ash to Siberia, returning with lumber to San Francisco. Keep your eyes open and ask questions.

How are you going to nurture and develop this belief in yourself? How are you going to feel confident in your ability when all you've experienced in the past is rejection and failure? Let me give you a suggestion. If all you've ever known is failure you're either doing things wrong, or you're doing the wrong things. Again, take your folding chair and go sit on the sidelines. Examine the scene before you. Look at all the others chasing the ball. Now, take your eyes off the players and start focusing on the game itself. Ask yourself: "Is it my technique that's wrong or am I playing on the wrong field?" That's an important question. So often we commit to playing a game which is not of our own choosing and we find we're poorly suited. When I left school I enrolled in Engineering at Sydney University for no other reason than I knew it would please my family. I know now that I'm temperamentally unsuited to exactitude (I've never been one to spoil a good

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story with the bald-faced truth) and my broad brush stroke approach of near enough is good enough runs totally counter to the prim, anally retentive certitude of The Engineer - He Who Possesses Empirical Truth. I would like to say I soldiered on manfully but am chagrined to admit I dropped out almost immediately in favour of smoking Gauloises in the music room to the accompaniment of Subterranean Homesick Blues at 120 decibels.

What's it to be? Wrong technique or wrong game. You'll have to think it through. Not bluster it through or panic it through. Learn to remain calm. Be patient. Take the long view. When I decided I'd had enough of going in the wrong direction, I walked away from my computer company and sat quietly for 7 months. I had no job and no prospect of a job, just a small income with the prospect of payment some time in the future. Opportunities arose and I rejected them. I sat patiently and waited. I didn't waste my time on meaningless, make-work, activity. I didn't run around chasing things. I got involved in the things I'm good at, counseling, helping, talking to others, sharing my experience. I took time out and I waited for the right opportunity, waiting calmly, assessing my position, and continued to reject the merely good, waiting for the best. And the best came along, far better than anything I could have imagined. This is still unfolding as I type this and may well turn out to be the subject of my next book.

Don't be panicked by your seeming failure and the pressures of time moving on without a result. And don't compare yourself with others. This is your game plan. If it's a competition it's somebody else's game plan. And ask yourself the big questions. Is it just that I'm not trying hard enough? Is success just a little more effort away? Or am I just blundering on in the hope that something will turn up and I'll discover in the process what my real calling is? Most people never make it through this mental minefield and subside into lives of quiet desperation punctuated by forlorn forays into undirected activity usually referred to as "Don't just sit there. Do something." This doesn't have to be you but it's a fate that falls by default to us all if we fail to think. You're either ruled by the rudder or ruled by the rocks. Make your choice.

Summary

- Examine the underlying trends
- Nurture your intuition
- Be real
- Look creatively for opportunities

Chapter 8 - Where do I start?

I hadn't seen my old friend Ernie for 8 years. He looked then for all the world like a confused garden gnome and he hasn't much changed since. Last I'd seen him he was living in a rented shack on a busy road flogging concrete pots for \$12 cash. Whenever he had a few bucks he'd buy a packet of smokes and a couple of bags of concrete and make another batch of garden ornaments that he propped against the railings of his front fence, and retire to the haze of his jumbled sitting room to watch the Bathurst races on his rented big-screen telly. I met him again a year ago. He came into the office and bought a couple of grand's worth of computer supplies.

"What happened to you? I haven't seen you for 8 years and now you're spending up like Imelda Marcos with a month to live."

"George, you won't believe it. I just fell into it. I was doing a WEA course in word processing to try to get a job and I got the hang of it pretty good so the WEA took me on as a casual lecturer. Anyway, I'm teaching this group from a government department and they say 'How about helping us with our software?' So I go over there and throw a few MS Word keyboard macros into their custom package and they fall all over me telling me how smart I am and can I go to their other offices and help them. Well pretty soon I'm getting calls from all over the state and then interstate and then Europe, would you believe, and I figure I could make a lot of money if I owned the custom package. So I rang the author in Melbourne and went to see him and he told me he was heading off to Bahrain for a few years and I could have the package for a couple of grand! So I bought it and started selling it but the department wanted me to provide telephone support for the program users and asked my price. I thought \$350 sounded like a nice round number and they said ". . . a day?" and quick as a flash I said "Yes." And then I added as an afterthought: ". . . per installation."

I'll leave it there. It goes on. And on. And on. Two years on Ernie's income is in the top thousand Australian money earners. Not bad for a little Aussie battler. What made the difference? What was the crucial spark that shot him from the very bottom to the absolute top? Selling his time he was just another wage slave. Seeing an opportunity to buy the rights to the product and acting upon it made the difference. He took a small risk and reaped a huge reward. Eight years ago my office manager, who doubled as a part-time Qantas steward, returned with an illuminated glass blackboard which you could write on with fluoro crayon. For \$3000 he had been offered the distribution rights in Australia. Should he take it? "Yes" I told him. He didn't, much to his amusement now. He wasn't ready to take a risk. He had a secure job. But he subsequently did take a risk and now has a highly successful carpet cleaning franchising business which he has doubled over the last couple of years.

In my case, my big break came without fanfare. I'd been importing software and consumables for 3 or 4 years and been trading comfortably at around a million a year with 3 people. I was approached by Stuart who represented a major US diskette manufacturer. Would I be interested in buying his disks? Yes, if the price was right. The price is right. Okay, I'm going to take a risk here. Give me an unlimited line of credit for 120 days and I'll buy every disk you can make. They did, and I did. We sold a peak of 4 million disks a year. We bought 500,000 disks every 6 weeks. The day we dropped the retail price from \$2.90 to \$2 a disk we sold 16,000 disks and later when we dropped the price from \$1.30 to 99c we sold 40,000. It was insanity. We dropped the price, we doubled our sales. And each time a container came in I negotiated a lower price. I said: "Stuart. If you want another order for half a million disks I want the price to drop from 69c to 57c". He always agreed. "And I want the 57c price to apply to the container that landed yesterday." This caused some heartburn.

"Who's paying for lunch?"

"Me."

" Okay. Done." A \$60,000 lunch. We had many such lunches until the axe fell and the head office CEO came across to shut the party down. No more disks. No more credit. Please pay us \$1.5 million before we go broke. It was a struggle but we managed, and the 4 years of unlimited credit got us kick started. The CEO, incidentally was the one who told me: "Business is simple. Buy low. Sell high. Collect early. Pay late. We knew that but we got it round the wrong way. We're losing money doing business with you George. Please stop buying from us!"

How do you start out? Get involved in something and learn to recognize opportunities. Look. Ask questions. Look at emerging trends here and overseas. Is there something coming that you can exploit? Don't be phased by the overwhelming complexity of the world. Focus on one thing at a time. A reporter once asked Mother Theresa: "Don't you get overwhelmed by the problems in this world?" Her response: "If you think of people as a mass, yes. But the mass is made up of individuals. We focus on the individual." Concentrate your focus on each individual possibility. You will be rejecting nearly everything so don't be dismayed. Eliminate the Tamagochi and Mutant Ninja Turtle fads unless you've already got money behind you. You want something real and long term. Subscribe to product sourcing journals from Asia and the US. I think of the guy who lives near me with one product, a hovering plastic hawk to protect crops and fruit trees. For as long as I can remember he's been repeating his quarter page ad in every monthly garden magazine in Australia. That's at least \$600 an ad. "Solve your bird problems with my bird scarer . . . or it won't cost you a red cent." Year after year. A cheap and cheerful Chinese

plastic gadget selling for \$30 plus \$4 p&h. In the latest Gardening Australia he's produced 2 ads, one full colour, the other mono. The other difference is the price, one \$30, the other \$28. A mistake? Not a bit of it if you consider the psychology. You see the ad for \$30 plus \$4 p&h, then you see the ad for \$28 no delivery charge. Look! He's made a mistake. Better get in and buy for \$28 before he wakes up! Hoohah! Or the bloke with the deep watering garden wand. A piece of aluminum tube that clicks on the end of the hose, you poke it in the ground and it waters the roots of the plants. Originally home-made but now looking a little more professional. Less than \$10 in materials. Mail-orders at \$44. Half-page ad. Every month.

And you think you couldn't do it? Last time I was in Taiwan I visited the Trade Centre, seven floors of knick knacks. A thousand manufacturers represented there. The tip of the iceberg. How about a \$3 plant moisture detector with a bird that sings when the pot-plant needs watering. Retail for \$30. Or a standalone solar garden light for \$8. Retail for \$90. Or a solar street number which illuminates at night for \$4. It's all there waiting for you. Vietnam, Mexico, Romania, Thailand, Fiji, China. They all produce cheap and cheerful products you can buy for a buck and sell for ten. How about jewelry and semi-precious stones, local carved items. You can buy these for a buck and sell them for fifty.

Most people go round with their eyes closed. "I'm comfortable as I am. Leave me alone. I'm just doing my job." We make our own luck by actively getting involved in life and seeing if there's a better way of doing things. Whatever you're doing, unless you're a hermit, you will come in contact with people. Engage your power of curiosity. Try to understand the processes involved and see if there's a better way. There's always a better way, and by definition a more efficient and profitable way. People will tell you if you ask. Try to get to where the action is. Don't hang back in life's backwaters. Take an interest. Start out with the deliberate intention of creating a business somehow from the environment you're in. Look hard enough and you'll find a need that can profitably be filled by you. My business partner taught a young man who started a two person business sourcing novelty toys for Kinder Surprise and McDonalds. Now in his late twenties his business is enormous. Don't be panicked by your pressing financial needs and your apparent lack of progress. This time you take in planning is crucial to your future success. Think everything through.

Continue each day to add ideas to your list of possibilities. Write them down and run them through the sieve of your brain. Try to harness the power of your imagination to anticipate into the future how your business would evolve. Plan, don't daydream. Make your plans concrete by writing them down with budgets and timetables. It doesn't matter if it doesn't eventuate and it doesn't matter if you or others think it's foolish. What you're doing is disciplining your mind, getting into the swing of being in business. It's the mental practice of the champion golfer who goes over and over each hole for days and days before the tournament. Like the fledgling bird on the cliff ledge you're getting ready

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for the day you take flight with your bold new venture and you need all the practice and reinforcement you can get.

As you continue to run your ideas through your mental and emotional sieve, one idea will emerge on top. This may happen gradually or it may be sudden. The important thing is it's an idea that takes hold in you. This is what I want to do. Yes, I'm going to start a home delivery service for elderly shut-ins. Or, Yes I'm going to buy that range of garden fittings from Vietnam and promote them through hardware chains. Or, Yes, I'm going to apply for a license to breed Silver Perch fingerlings in my garage and sell them to the emerging aquaculture industry. You need to muster commitment at this point to overcome the hurdle of inertia inherent in any new project. And for this you'll need to make detailed plans. The value of a plan is it gives you something to do today to advance the cause. Most people don't plan, they daydream. The world is littered with coodabeen champeens. The difference between a plan and a pipe-dream is the plan has a staircase that stretches from the goal all the way down to your feet. There are steps that you need to take today, right now, to reach your future goal. All a pipe-dream offers you to step on is excuses and smoke. I know this from experience having funded a number of other people's pipe dreams posing as plans. The key phrase of the pipe dreamer is "If only."

Understand too, that your plans may change over the course of implementing them, as you gain experience and insight you may choose a superior goal. This inevitably happens to some degree and it should not be a stick to beat yourself up with. We never start out on a course with all the information we need to get there. The rules of the game emerge as we play it. The trick is to be both focused and flexible, a hard call. Reminds me of the time I was hauling a tractor on a trailer driving downhill into a sharp left turn and the trailer started to fishtail violently. I knew I had to accelerate to stop the fishtailing and brake to prevent disaster. Remaining focused and flexible is the business equivalent of braking and accelerating simultaneously. It can be done but it's a practiced art.

Summary

- Keep your eyes open. Learn to recognize real opportunities
- Harness imagination but don't daydream
- Make plans not pipe-dreams. Write them down
- Be flexible. You may need to change course but keep your goals firmly in mind

Chapter 9 - How Do I Move On From Here?

Okay, you've made up your mind what you're going to do. Where do you start? At this point most proud new venturers look for premises, plant and stock. Stop! Don't do it. You're way too far ahead of yourself. Come back to earth. The prime, and essentially only consideration for your new business is making sales. You know what you're going to sell, be it goods or services, but have you identified who's going to buy? Most novices at this point shrug their shoulders and offer vague optimistic blustering. "Of course people will buy. The product is so fantastic it'll sell itself. All I need to do is advertise and customers will fall over themselves to push cash into my hand." Maybe. But you might do worse than test the market first.

Ten years ago at the peak of my business infallibility, Howard Rose offered me a job lot of computer security alarms he'd acquired in a contra deal with Brad Cooper. These were movement sensors that alarmed if the computer was moved and the power turned off. After a little casual negotiation in \$10,000 increments (rather than decrements) I bought a truckload of 7000 units for \$50,000. I was convinced these would sell like Mars Bars over the back fence of a fat farm and devised a full-page ad touting the benefits at \$59 each. I sold 3. Notwithstanding, figuring I was making nearly 90% profit I repeated the \$1000 ad. I sold 4. Something was drastically wrong. No matter what I tried, price reductions, heavy advertising, buy one get one free, 70% off sale, buy 2 get 10 free, I couldn't shift them. After 7 years of hard slog I finally shifted the last of them back to one of Brad's original customers. The mistake cost me dearly. Not only was I stuck with a painfully unsaleable item (There was nothing wrong with the product. It was a great alarm. It's just that nobody wanted it.), but I was also stuck with the effort and expense of shifting it, to the detriment of my other stock lines. Look before you leap.

If I have learnt anything in 20 years it's "Test everything". Just because I like something doesn't mean my customers will. Bullying and blustering, riding over the top of their sensibilities and insisting this is the greatest thing since skateboards with trainer wheels won't work. (Now there's an idea. Add a small sail and some brakes . . .) I know. I've been guilty of it often enough. I've had to learn the humility to be teachable and turn my whole business focus around from what I want, to what my customers want. And if you want to avoid the expense of making big mistakes, my advice to you is test the water first.

Take the product or service you want to sell, and before you launch yourself body and soul into it, take the time to test market it. This is such an elementary thing to do that most business owners make the elementary mistake of not doing it. The day that Jurassic

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Park was released, and perhaps this was an omen, we talked ourselves into launching a multi-level referral system. I intuitively disliked multi-level marketing but felt that if we were the originators who controlled it, it would be okay. We hyped ourselves up, spent \$25,000 in research and promotion and with vast confidence and gusto launched our Business Referral Program on an unsuspecting customer base. And nothing happened. With great aplomb we cast our bread upon the waters and it sank like a stone. Disappeared, taking 15% of our sales with it. Not only did it not perform, it did untold damage to our company which, in spite of our hasty retraction permanently lost us some very good customers.

A very painful lesson, but one we've learnt well now. Today we do nothing till we test it. And that doesn't mean running it past Mum to see what she thinks. Each new concept is trial marketed with a small advertising run. All ads are coded and the response is carefully vetted. Customer purchase response is our sole criteria. Not subjective 'like it or don't like it' surveys, but hard factual 'who purchased what' data. If it works we run it. If it doesn't we can't.

You have to be disciplined from the beginning. When the cash starts rolling in you'll start feeling 8 foot tall and bullet proof. Move over Gordon Gekko. Make way for a successful business owner. If you enjoy early success, and with your low costs as a shoestring startup you probably will, there is a real temptation to regard yourself as infallible and lash out on a BMW 840i. That worked. Now let's double it. Come back to earth. You don't have a mortgage on your continued turnover. Turnover is not income and income is not available for your discretionary spending. You must reinvest your profits to ensure continuing growth in sales. Many start-up entrepreneurs confuse turnover with spending money and crash and burn almost immediately. The easiest way to set up a fool in a small business is to give him a big business. You've got a long way to go before you're safe to fly this business solo. You'll learn by your mistakes more than your successes, so work to ensure your mistakes are little and your successes big.

Summary

- Test everything. You're not infallible. Sales are the test
- Be disciplined. Learn from your mistakes. Keep them small
- Reinvest your profits to keep the company healthy

Chapter 10 - How Do I Sell?

"Good Morning."

"You're a door to door salesman aren't you? Go on. I can tell."

"Well no, actually, um, look, I'll level with you okay, I'm an out-of-work elephant trainer and I have these elephants left over and well, would you like to buy one?"

"Get 'em off my doormat. Look, I knew you were a salesman the minute I clapped eyes on you. I don't wanna buy nuthin. Just shove off."

"They don't eat much, honest. And you can use 'em to take kids for rides. You can make real money. Whyncha buy one, huh?"

"That's ridiculous. For starters they wouldn't fit in the elevator and for another this is only a two bedroom apartment and in any case I hate kids."

"Two grand. That's a bargain."

"Look get outta here will ya?"

"These are my last two. I've sold all the others for five. You'll be missing out on the bargain of a lifetime."

"For the last time, no! Get lost!"

"How about two for three grand?"

"Now we're talkin! Will you take two and a half."

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In order to make your first million you're going to have to sell. Nothing happens without sales. How do we do it? The key is to look at it from the perspective of the customer. Sales people almost always look at the selling process from the perspective of their own needs, focusing on profit margin and commission and so on, and rarely enter into the mind of the customer. When we can enter into the psychology of the customer we have an enormous advantage in selling.

On our last trip to Hong Kong, Pauline and I bumped into Kathleen, a friend who lives a few streets away. This caused some spontaneous mirth with discussions on coincidence and chance and she invited us to walk with her as she went to keep an appointment with a tailor on Bristol Rd where she was having a fitting. I figured this was sacred women's business so I kept a respectful distance and when they went into the shop I stood outside in the doorway ogling the passing parade and keeping out of the rain. Within 30 seconds a respectful sales person stood before me: "Good morning sir. Are you looking to purchase some tailored clothing?"

"Ah, no mate. I'm just waiting for the wife and keeping out of the rain." I announced in my best, dismissive Aussie tourist tone of voice, and fixed my gaze elsewhere. Undeterred, he took a bolt of material and draped it over my left shoulder.

"I could make you a beautiful shirt in this material sir."

"Look, I'm not interested. I have to wait here. My wife's in there." I was becoming a little peeved but he seemed not to notice and draped a bolt of blue material over my right shoulder.

"Would you prefer the blue?"

"Look, I don't want any shirts, okay?"

"I understand, Sir. You may not have known that our shirts are renowned throughout the world for fit and elegance. Your Prime Minister has a standing order with us. But I can see you are dubious. Do you mind if I propose an offer. I will make you six shirts for \$30 each. If you are not delighted with them you won't have to buy them. If you like them I will make you a suit of your choice for free." Free? Um, Hmm. Well. He won me. I was in the door and a bevy of lackeys were taping me up.

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"Which suit material do you prefer? That one. A very wise choice sir. By the way, my name is Prakash. I will be your personal assistant. Your name is? Thank you Mr Parry. Have you considered a charcoal grey. Yes, I can do that. Normally we charge \$400 a suit, but as you are now having two suits made you qualify for our favored client rates. I would like to personally offer you two more suits for \$180 each. Wonderful. Thank you. Let's have a look through these bolts of material. We will keep your details on file and at any time in the future you can fax us an order."

At the end of my first visit I'd ordered 9 shirts and 4 suits. On my return for a 'fitting' he continued to upsell. A sports jacket, a dinner suit, sports slacks. Each time I came back to collect my clothing there was always a little alteration needed, which presented him with a further opportunity to sell me more. An hour before our flight was due to depart, the fifth time Pauline and I had visited his store, we finally prized the bundle of tailoring from him, stuffing it into a large new suitcase, purchased for the purpose. Seven thousand dollars lighter.

Prakash is a fantastic salesman. He regards protestations as the normal smokescreen of selling, ignoring them, and focusing on what the customer wants. He simply fails to acknowledge 'no'. He smiles, knowing that 'No' simply means 'Not yet'. Once he's exhausted his sales repertoire and the answer is still 'No', he's happy. Nothing flusters him. He never oversteps the mark into pressurized selling. But he does persist with just the right seasoning of humor and intelligence.

We need to understand the psychology of the buyer. What does he want? What does any of us want? Recognition, respect certainly. But we also need to be *sold*. We need to be drawn into this dance of seduction where we are parted from our cash and each leaves smiling. Most sales people make the mistake of letting the product sell itself and are thus unsuccessful. Focus on your prospective customer. What does he want? When you know that you've already made the sale. Selling is understanding the wants and desires of the customer. Prakash fully understood from my body language that I disliked shopping and distrusted sales people. And he knew he had a limited opportunity to overcome these barriers by getting in close enough to hit me between the eyes with an offer I couldn't refuse. He also fully understood, as I did, that once I was in I might as well be in for the lot.

This is an important concept. It's hard to get someone to open their wallet but once it's open, it's child's play to get them to keep it open.

Okay, it's time to make some sales. You've got your business plan. You're focused. You know what you're going to sell. You've tested the water and it's safe. There's been a good response from your test market runs. Where to from here?

Assume for the sake of making a decision you've decided to import miniature dolls house furniture from Vietnam. There's a million other possible choices but it's a real enough example. Vietnam is full of artisans with minimal resources. It could just as easily be cheap and cheerful pub-size pool tables from China, replica steam engines from India, fake watches from Bangkok, plastic irrigation fittings from Taiwan, batik clothes from Bali. There's no shortage of opportunity in low wage rate countries. I'm being pragmatic here rather than essaying on the politics of economic colonialism. It's sufficient for me to note that cheap and cheerful was the exit path from such a fate for Japan, and latterly Singapore and no doubt will be so for all the other emerging wannabes.

We're taking the opportunity route rather than the "What do people want to buy?" route and while it's going to be harder to make sales, your margin will be so high it will override and forgive all your impertinence. This dolls house furniture is stuff you can buy by the 44 gallon drumful for a hundred bucks, and sell at \$29.95 a piece. Metaphorically speaking of course.

As it's such a small percentage of the selling price, you can pretty much ignore the cost of the product and focus on marketing. Marketing will effectively be your only cost so you can afford, if you choose, to absolutely lash out. Take a good look now at the pros in this game. They advertise in the TV and women's magazines as well as late night shopping channels. "This delightful, limited edition, collector's item can be yours for \$49.95 per month in 12 easy installments" You know the sort of thing. What you probably didn't realise till now is how little the product costs at source. Wander through Crazy Prices and ask yourself how they can sell things so cheaply and still make a profit. I bought a couple of model car kits there recently as presents for my friends' children. They cost \$2 each. And they normally retail for \$39.95. As consumers we've largely been shielded from the huge price differentials that occur as you travel down the chain from manufacturer, taxman, importer, taxman, distributor, taxman, retailer and consumer. Ask any dairy farmer how much he gets for 2 litres of milk (12c) and ask yourself how much you pay at the supermarket (\$2.45). Exploit the differential and you have the makings of a powerful business.

So, Vietnamese dolls house furniture. How do you get it? Presumably you already know where. You've identified the factory through research and talking with agents. You've appointed an agent in Vietnam (An essential 5% overhead to cope with language, shipping, hurry-ups and local peculiarities such as graft, corruption and overcharging. They make do with 5% from you and screw the suppliers for more.). You've received and approved samples. You've faxed off. They've sent you pricing and availability. You've done the ritual haggle. What do you do now? You send them a purchase order listing products and prices in \$US. They fax you back a P.I. (ProForma Invoice). You send off a T.T. (telegraphic funds transfer in \$US drawn on a Saigon bank) if you trust them or an

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L.C. (at sight irrevocable letter of credit which is paid out by your bank here when the goods land) if you don't trust them. A T.T. is usually fine for small orders but once you get into serious dollars you need the security of an I.L.C. I clearly recall a colleague's angst at losing US\$77,000 which he'd T.T'd to a US company he'd been dealing with for years. They went belly up at the time his cash came in and they scarpered. Incidentally, you could have the temerity born of inexperience to ask your newfound supplier for credit. At this point he will look pained and launch into a lengthy and boring explanation of his costs and margins. This is his polite longhand for "Go fry your socks." He won't say this because he is too polite to offend you, but I have no such reservations. If you've done your homework well there'll be no room for credit. That's one of those quaint Western customs where suppliers enjoy double digit margins.

You'll need a shipping agent here to clear the goods through customs. You can do it yourself, but like everything bureaucratic you need a PhD in loopholes to get through the maze. A short-term solution is to order small amounts by airmail. You'll get away with it for the first half dozen shipments and then you'll get a stern letter from Customs asking you to come and clear your order through the proper channels. The cost of clearance precludes small orders. You'll need to order at least \$5,000 worth to amortize the oncosts.

Okay, having now landed a trial drumful of this stuff your choice is: "Do I sell this retail or wholesale?" Sell retail and you're going to need to create the market. You can do this by creating a web-site and seeking to market to the world. There's no other way unless you have a hundred thousand dollar budget to throw at the magazines. This product is an ideal subject for selling on the Internet, which I'll explain in Chapter 12, but let's assume for now that you've blown your entire budget getting the stuff here and you've decided to sell wholesale, going door-to-door to craft and gift galleries.

Remember, this stuff is unique so it will command a premium retail price. But you can't sell it in its present state. It needs presentation. If you were a big operator you'd vacuum mould special presentation packaging and hype up the box with waffle about heirlooms and increasing in value and little children in bonnets and gingham pinafores but you haven't got to that elevated state yet so you're going to have to take the cheap but dignified route. Plastic bag with cardboard header, single page A4 display brochure showing complete range available, heritage colors (cream and green), nice little line drawing with Red Riding Hood's Grandma's house, smoke coming from chimney, collect all 72 pieces, distributor's address and phone number in case the customer wants more and the store has a limited range, packaging cost 32 cents, product cost including all oncosts to date \$1.12, wholesale price \$18.20 or \$11.30 ea for 20, final retail price \$29.95. Verily I say unto you, Bob is your uncle, or at the very least a close approximation of avuncular similitude. It's all in the presentation.

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Now you're going to have to hit the road. At this point most of us fall into fond reveries of comfortable jobs where we looked out the window and passed the time sharpening pencils, gossiping and making cuppas. "You mean I gotta go front up and ask people to buy?" Sure, but you're doing it for a new reason. You're not doing it because it's your job. You're doing it because each time you make a sale you're pocketing 90 cents in the dollar. Effectively, you're going around saying to people: "Hey, give me 50 bucks and I'll trade you this little \$5 memento of your gift. I've got plenty of these mementos, in fact I've got a garage full of them so they're no particular value to me. But I figure you're a bit of a sentimentalist at heart and I'm sure you or your customers will like them." The stuff spilling out of your garage is of no particular value to you, but because of its perceived value to others it can be sold for twenty, even a hundred, or a thousand times its cost.

Summary

- Find a product you can buy cheaply and sell for a high price
- Present the product well
- Go out and sell it

Chapter 11 - What Else Can I Sell?

The key to profits is to find something which you can acquire cheaply and sell at a higher price. Generally, the more popular the product is, the more competition, and hence the lower the profit margin. What you have to do is carve out some territory where you'll get some bottom line profit. Unlike Pat and Mick who bought watermelons for a dollar and sold them for a dollar, complaining if business got any better they'd have to get a bigger truck, you're going to have to find something you can sell that enough people want to buy to ensure you get a profit. This is not easy, and is the reason why most businesses fail.

One of the best strategies, as with the dolls house furniture, is to acquire the *rights* to something and *create* the market for it. Why fight your competitors selling me-too products on price? The only winner is the customer, which is okay for them but you have to eat. Find a product or service that you have the unique and sole rights to and set about *creating demand* for it. Advertise. Promote. Push. The higher the profit margin the more you can afford to promote. Remember, advertising is the engine of your ship. Without it, it will wallow.

The best product is the one that costs little or nothing, is in unlimited supply, can be sold for a high price, is unique to you, and is in great demand, or has the potential for demand to be created. In my case, over the years, this has included the Apple software I wrote, blank diskettes, dot-matrix printers, modems and networking cables. Sadly, nothing lasts, and my unique position was overtaken by competitors on all counts. Nothing lasts in business. You can attempt to protect your market as in the case of newsagents and the Wool Corporation but market forces will break any protective cartel. You can offer unique products such as artworks, but fashions change and even prolific marketers like Pro Hart and Ken Done suffer downturns in popularity. The only security is to keep moving, changing with each tide.

Fortunately, the tide of change is strongly positive for those who are able to anticipate and ride with it. New technologies bring new solutions to problems. Why is it that Australia's richest men, Kerry Packer and Rupert Murdoch, are in publishing? Why are they both strongly chasing down electronic entertainment like Star TV and the Internet? Why did Russian émigré Jews, Jack and Harry Warner, Sam Goldwyn, Louis Mayer, Adolf Zukor et al get into the movies? It's because these products met the criteria I've mentioned: cheap to produce (at that time), unique to them, unlimited supply, can be sold for a high price, enormous demand can be created. The demand can be created by the product itself, ensuring an explosion of future sales for a minimal outlay.

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I'm not proposing you go into the movies or the entertainment business as I've done both to my shame and financial detriment. I'm suggesting you look at the principles involved in the dissemination of information and entertainment. One of the projects Adam took on in Russia was to establish an English language "Dolly" magazine entitled "Djevushka". We had looked at the costs and potential demand and rewards and it made highway robbery look anemic. The project withered for lack of resources before one issue was produced, but on return to Australia, Adam began producing suburban throwaway newspapers. These were small circulation 24 page parochial papers with 45% editorial written by elderly unpaid local busybodies and the remainder made up of local advertising. A two-man team, Adam producing the A3 tabloid on a Mac, John selling the ads. \$15,000 a month profit. Hmmm. Incidentally, while Adam has tired of sitting in front of a computer and is now working on a drilling rig, John has sold the papers and gone on to produce home pages on the web, a *very* profitable exercise.

Knowledge is power. Information is money. The market endlessly segments to make room for good ideas. No matter what we're selling, it all comes down to information. The lawyer sells his knowledge. The retailer sells his knowledge of where to buy the best products. Consider the sale of information itself as a business. Graeme Mann compiles databases. Useful information on schools, hospitals, libraries, government departments. Information you couldn't acquire elsewhere in one source such as fax number, email address, contact person etc. He collates it, puts it together into usable form, and sells it. I know this because I bought a list from him. \$600. I have no idea how long it took Graeme to collate his databases, how much effort went into it, or how many sales he makes. What I can tell you is the raw cost in making a sale to me once he'd amortized his costs was zero. The information was shipped to me by email.

Graeme's information may have had a limited demand. But there is information which has enormous demand: where to buy cheaply, how to do anything, save money, make money, beat aging, etc. You have already paid the cost of finding out this information yourself, so why not sell it to others? One of the most successful publishing ventures of this century has been the Lonely Planet guides to backpacking around the world. These books have become the bible for cheap and cheerful travel and have made their hippie backpacking owners fabulously wealthy. Who'd a'thought it? You are unique. The knowledge, experience and information you possess is unique. It is entirely possible your knowledge would be of immense value to a vast number of people on this planet.

My wife has written a small booklet in her specialist medical area. It took 3 weeks writing to commit a lifetime's experience to paper. It sells for \$10. To date it has sold over 50,000 copies in Australia and a similar number overseas. It will continue to sell for many years to come. It won't make her rich but it will provide a small income for many years. All for 3 weeks extra effort.

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What do you know? Maybe, like Max Walker, you know a lot of jokes. Maybe like Albert Facey you know hardship. Maybe like Phil Ward you know how to write business newsletters. Maybe like Don Burke you know about gardening, or like Jan Somers you know about real estate. There are a lot of people who may benefit from what you know. One of the most intriguing ads I've ever seen is the size of a postage stamp. It reads: "\$5 makes \$100". It's clearly some form of gambling system. It must have been a successful business for the owner as it repeated in the Daily Telegraph for many years.

Information, software, entertainment, the raw cost on these, once the production costs have been amortized is essentially zero. I spent 6 months writing some clunky software for the Apple in 1979 and decided to try to sell it. I rang an American magazine, Interface Age:

"Hi, this is George Parry here. I'd like to take out an ad in your magazine."

"Oh, that's fine sir. A full-page starts at \$13,000."

I choked. "Well, you don't understand. I'm ringing from Australia . . . "

"Well I'm happy to hear that sir because our overseas rate is \$6000 a page."

I went silent again. "Look. I have to level with you. I can afford a hundred bucks."

It was her turn to go silent. "Well sir, I could give you a market place ad for a hundred dollars. But you'll have to repeat it at least twice."

"Sure that's fine. Would you like me to dictate the ad?" I was getting the hang of this now.

"Yes sir. Go right ahead."

"Okay here goes: Classroom Computer Package for the Apple. Send \$55 to Micro-Educational Park Rd Garden Suburb Australia . . ."

"Stop."

"What do you mean stop? I'm just getting started."

"You've run out of space. I've reduced the header to 8 point and the body copy to 6 and you've now run out of space."

"Okay," I said, "Let's run with that." I had no idea what she was saying.

Two months later the magazine appeared. I searched and searched the 300 pages and couldn't find the ad, and then finally I found it. About the size of the tiniest postage stamp. I was disgusted. I'd wasted \$200.

The following Monday I received a letter from Ted Perry from the San Diego Unified School District requesting I send him a copy of the software. Enclosed were a US\$50 bill and a 5. Cash. I hastily copied the disk on my single disk drive, inserted it into the photocopied documentation, into a padded bag, put it into the basket of my push-bike and rode to Charlestown post office. My first sale. On the Tuesday there were 3 orders. I'd paid for the ad already! On the Wednesday 17 and the Thursday 43. And it grew from there.

My cost including postage was \$5. I was selling information that people wanted and was about to be swamped with money. More money than I'd earned in my life to that point. And it kept getting better.

It is still possible to be an overnight success. 'They' haven't got it all sewn up. Every shift in the market opens up the seams and money comes spilling out. You just have to position yourself to be where the market is moving to, to find that magic something, product, information, service that taps into the mother lode of cash that's there. Build a better mousetrap and the world will beat a pathway to your door. Find something that isn't being done and do it, or find something that's being done badly (and isn't there some scope here!) and do it better.

Chapter 12 - How Do I Get Into The Internet?

**** Note:** *This book is an ongoing project. You are most likely reading it online or in downloaded print form. Since writing this chapter, I have discovered for myself the incredible power of the Internet to dramatically, immediately and explosively change your financial circumstances for the better. I am in the process of writing about this experience. You can discover this unique information which I have called the Ultimate Wealth Secret at the end of this book. Don't cheat now. I want you to read the whole book before I will reveal the secret to you. I will tell you, it has nothing to do with the usual web nonsense of multi-level-marketing or affiliate programs. It is unique. It is utterly simple and foolproof and because of this new technology it will cost you nothing to implement. Contain yourself now, read on. You have to read the whole of this book before I let you in on the secret!****

Use the technology that keeps emerging. Ride the Internet wave. Don't just put up a website and see what happens. Research it. The Internet or its successors will clearly become the favored medium for exchange of information and some products. It has already revolutionized many industries. Many large companies now publish all their documentation on the net. Stock broking will rapidly become exclusively Internet-driven. Bankers, lawyers, accountants, graphic designers, publishers, marketers, architects, travel agents, booking agents, librarians, researchers, real-estate agents, software authors, musicians, teachers, in fact, anyone dealing with information will find the Internet will become as essential as the telephone. The technology is cumbersome at present, but it is clear that once the teething problems of speed, security, intelligence and specificity are sorted out the Internet will roar into prominence. The Internet is your friend. Snuggle up very close even if it's prickly at present.

Learn to use it. The Internet is a global market, making time and geography irrelevant. While it may be very difficult to turn a corner store into an Internet Wal-Mart, if you have something unique, yourself, your abilities, knowledge, a unique product, then the Internet is the place. Indeed the Internet is the very antithesis of the homogenized "mall". It's the home of the individual, the rogue, the unique, the interesting. No doubt the homogenizers will have their way with part of it, but happily the technology is too democratic to be controlled. I find it very comforting, for instance, to discover that in spite of the unimaginable vastness of the world wide web, I can instantly find myself by searching in Alta Vista for "George Parry". If I am looking for something generic like video retailers or carpet cleaners I would do better by referring to my local phone book, but if I am looking for something specific like Tibetan nose flutes or a valuation on a 1916 Rudge Whitworth ladies' penny-halfpenny then I know exactly where to turn.

The Internet has the same pivotal relationship to the information revolution as the internal combustion engine had to the industrial revolution. It will turn everything on its head, leaving old technologies behind, and like the early days of any new technology (TV, video, cellular phones) there is a proliferation of competing brands and formats yelling: "Try me! Buy me!" What we have to do to establish our presence on the Internet is to take our folding chair and go sit on the sidelines and think.

Get back to basics. Run the numbers. Think. What is the main feature, or the unique selling proposition of the Internet? Its intimacy. It says in a seductive voice: "You've got mail." It sits back on its haunches, puffing and slobbering saying: "Whaddaya want? Whaddaya want? I'll go get it, huh?" It's your personal slave. Doting. Obedient. Still a little bewildered. Apt to bring back more than just the wood ducks you targeted. And so quick. And we crave this intimacy. We all want to be needed, wanted and loved. And we want power and control of our lives. The Internet offers it to us and to our potential customers.

How can you use this part-brilliant, part-moronic hound-dog to make you money? Ninety-five per cent of web residents haven't a clue. That's how many lose money on the net. Most blunder onto the net as a 'gottadoit' exercise. "I dunno nuthin about it but I know I gotta be there.", is their complaint. Be a follower if you must, but at least do the research. There are tens, hundreds of millions of people on the net and hundreds of thousands signing up each day. Most potential web merchants adopt mass marketing methods to reach them, spamming email, blanket advertising, banners, buttons, even advertising their website on other media. And most fail. Even amazon.com, the largest reseller of books on the web has failed to make a profit there. Despite hundreds of millions spent in promotion, largely garnered from its optimistically-priced shares, it has failed to register a profit. Yet.

What's the answer? Well, if you haven't already got a spare million or so to box the web's ears to make it sit up and take notice, I suggest you refer back to the Principles of Prosperity. You get what you give away. Be daring. Commit acts of outrageous generosity. When I first started out in mail-order in 1979 I needed to get noticed so I approached the user groups and computer retailers and offered them my software in exchange for their mail lists. I had something they wanted. They had something I needed.

You can do the same on the web. Don't sell it. Give it away. If it costs you nothing to reproduce the material then give it freely. If it costs something, then sell it at cost. What you are buying is goodwill, mind-space. It will take a while to establish your brand or your name. Prepare the soil. The web is full of rip-off merchants promising the earth and delivering a mouthful of clay. Do the opposite. Under-promise and over-deliver. You are

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building the foundations of an outrageously successful enterprise so take the time to dig deep and well. When you earn trust, people will then trust you with their money.

Develop character and integrity. Be scrupulous. I recently phoned a free-call number in response to an ad about share market investing. I received a well-produced package with glossy literature and an audio tape, but I only got as far as the testimonial letter. It was full of spelling and grammatical errors. Its hyperventilating tone established for me that the promoter had a room temperature IQ and that my \$995 would be a questionable investment.

Be real. Establish intimacy with fellow web users. Don't shout. Whisper. For the first time in history, the ability to communicate to a vast number of individuals is both easy and free. Don't abuse it. Think about it. What's it to be? "G'Day Fred. I liked this site and thought you might be interested in it." OR: "Hi there! How y'all doin? Take a look at this!" The latter is for mass media, the former for the net. Intimacy. You no longer have to yell or over-promise.

By all means, trawl the net. But do so intelligently. Rather than spam people's email why not approach user groups, chat rooms and bulletin boards with something for nothing. Whatever, Mamma's Andalusian Paella recipe. Top fishing spots revealed. How to get better mileage out of your Winnebago. Free conifer gardeners' newsletter. Think up (or plagiarize) hundreds of freebies you can put on your web-site and approach the interest groups. And before they get the free info they register their email address. That way you pre-qualify them. Once they know you and trust you, you can start selling to them.

What are the best Internet businesses? Our own web-site <http://www.da.com.au/> consists of an on-line catalog of computer consumables aimed at the local Australian market. The products are me-too products and so the web-site simply complements the existing catalog business. Where the net comes into its own is in cementing relationships through email, and this value-adding service is now encouraging our customers to purchase directly from the net despite the ready availability of the same products elsewhere.

The best options for starting up an Internet-only business are automatic information downloads, low-cost service delivery or unique mail-order products. Smart use of the technology allows web merchants to automatically accept and process credit-card orders for digital downloads of information, graphics, video or music. The customer keys in his details, the computer verifies and processes the money transaction, and then allows the customer to have limited access to the file for a one-off download. The key is content. You may either create it yourself or license it. This book is my own content-experiment in progress. It contains the distilled experience of \$70 million in mail-order and Internet

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sales over 20 years and while it has been accepted for traditional publication I decided to experiment with electronic publication for access to the world market, hence the emasculation of its more blatant Aussie blokishness and the Americanized spelling. (A bloke is a guy!)

I am currently trialling 1) Giving it all away free. 2) Giving half away and inviting the reader to pay a) \$4.95 b) \$6.95 c) \$9.95 for the complete download, and 3) Adding the option to purchase a signed, published copy for \$16.95. The main benefit to me in giving it away free is self-promotion for my services as a business speaker. I will let you know how it goes. Obvious line extensions include selling other similar e-books under license.

This points out the unique advantage of electronic information: its instant changeability. As the information evolves it can be instantly altered. And so you as the reader and customer can participate in the experiment as it unfolds.

Selling physical items, however, is a little trickier. How do you differentiate your products from the sea of e-mall stall-holders' products? The answer: You don't. You sell unique products unavailable elsewhere such as the Vietnamese Dolls House furniture in Chapter 10. I know a number of Australian artists and artisans, painters, aboriginal artists, potters, leather craftsmen etc. The market for these products, compared to the market for bread, milk and tv sets is comparatively small. But my share of this market could easily be 100% and by exposing the products to hundreds of millions of people I stand a chance of significantly increasing this small market. To break into the mass market takes a million dollars to get the tiniest fraction of a huge number. To break into the specialised market takes a small number of dollars to get a large fraction of a modest number. Unique is the way to go. Specialize. Establish yourself as the world expert and only source of left-handed grommet wrenches and you'll make a comfortable living. Compete with twenty thousand like-minded stall-holders and your message will be completely lost.

My friend Mike is a real-estate agent on the east coast of Australia who decided to stop competing with his 20,000 competitors. He decided to specialize in selling motels. His customers come almost exclusively from the other motel-owners upgrading or expanding their holdings. When they want to sell they think of Mike. It's almost a closed loop. What does Mike do? He regularly mails, faxes and emails this closed user group and has effectively sewn up the entire east coast market.

The Internet allows you to find and hold your future loyal customer base from the billions of potential customers. If you're not using it you may become as relevant as the maker of buggy whips who saw horseless carriages as a passing fad.

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The other new technology you should be looking at is computerized 0055 and 1900 numbers to earn income while transmitting information. I noticed this week TV's Gardening Australia promoting its magazine on the show, suggesting customers ring a 1900 number and leave their name and address to go in the draw to win 10 free subscriptions. Given that the competition's Don Burke show gets 300,000 information sheet inquiries a week, you would have to expect at least 30,000 callers to public broadcaster ABC's show. At 50c a call (half goes to the promoter, half to the service provider) they'd be looking at \$7500 a week income for a total cost of less than \$200, a break-even point of 800 callers, and a promotional benefit to the magazine of many thousands of dollars. 1900 numbers are also the basis of the new "Millionaire" game shows on tv. So many hopefuls dial in, often hundreds of times each, hoping to get on the show that it pays for itself many times over.

You can use your knowledge to become a consultant but to make serious money here you need to enter into success-fee arrangements rather than payment by hourly rate. We see this particularly in finance-broking or bringing together buyers and sellers. The commodity is the same: information. You know a prospective buyer or seller. You introduce them to their counterpart and charge a percentage of the transaction. Real estate agents are a common form of this consultant. The key is to know more about the market than either of the other two players. As a facilitator you need to understand the psychology of the protagonists, oversell the buyer and undersell the seller to bring an amicable conclusion and allow you to pocket from 1% to 25% of the transaction. Nice work if you can get it.

Here's a consultancy business which comes to mind: From August 1, 1998 Australia's largest telecoms carrier, Telstra initiated the Customer Service Guarantee. This was a promise of excellent performance extorted by the Government in exchange for its agreeing to Telstra's partial sale. In essence, it says if you have to wait for service we'll pay you forty bucks a day for each day you have to wait. Sadly, and quite possibly, predictably, with all the fuss over privatization and sub-contracting of services (It's *your* fault! No it's *your* fault!) Telstra hasn't measured up. They pay if you know about your entitlements and complain. At present, fewer than 2% of customers are aware of the guarantee.

Can you see a business opportunity here? Find a way of locating the people due CSG payments and find a way of getting it to them. We are talking in the hundreds of millions of dollars by the way. As a consultant you could comfortably charge 25% as a success fee. Of course you have to be quick. By the time this book is published, even on the Internet, the window may well be closed. Some entrepreneur will have snaffled this one. More than likely an ex-Telstra employee.

Summary

- Information is the ultimate low-cost, high-margin product
- You can replicate your knowledge through publishing and selling books, tapes or newsletters
- Utilise new technology, Internet and 1900 numbers
- If selling information as a consultant, charge a success fee rather than an hourly rate

Chapter 13 - How Do I Get Into Mail-order?

Mail-order is one of the simplest and cheapest ways of getting into business. Once you decide what you're going to sell it's relatively simple to advertise it on the net and in a specialist magazine and ship it out when orders start rolling in. At least, that's the theory. And as with all simple theories it's much more complex in practice.

The beauty of mail-order is you don't need expensive premises. You can start from home as I did and you can start out cheap and cheerful. You don't need to wear a suit. You don't need to report in to a boss. You can keep your own hours and be as organized or otherwise as you please. I started by selling a range of Apple software and peripherals, and as there were no specialist Australian magazines in 1979 I simply started collecting names and addresses of Apple owners from the two Apple User Groups and the two computer stores in Australia. Rudi Hoess ran Computerland Sydney and Sean Howard was the fresh-faced manager in Melbourne. I collected 200 names and addresses and using a Gestetner duplicator I'd co-opted from school I produced a 4 page cut-and-paste 'brochure' outlining the small range of products I was selling: Dan Paymar lower case adapter, subLogic Flight Simulator, MicroSoft's CP/M Z80 card, Classroom Computer Package, Roger Keating's Conflict, Verbatim disks, Harry Harper's Vision 80 card.

And the business grew to almost \$5 million a year. It is still entirely possible to repeat this process. Some time ago I was approached by a guy who was selling testing equipment from his garage. These were scientific instruments that he had imported from the US, having recently left a similar large company and decided to go out on his own. They measured things like stress, temperature, pH, conductivity and so on. I was impressed with the prospects for his business and offered to buy into his company. No. He didn't want a partner. He wanted assistance. I figured at the time, temporarily ignoring the First Principle of Abundance (nobody's perfect), that the information I had on mail order was too valuable at any price other than equity in his company and declined. He has since gone on to create a multi-million dollar business.

How do you start? Gather information. Read everything you can on marketing. Research your topic. Look for a product or a range of products that meets the criteria for mail-order:

- Small and light (less than 0.15 cu m and less than 16Kg)
- High demand (people have to want to buy it)

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- High dollar value (minimum \$30 per order, maximum \$1000 per item)
- High perceived value (scarcity, value for money, buy now etc)
- Consumable (look for repeat orders or line extensions)
- High margin (cheap to buy, dear to sell)
- Extendable (leads on to purchase of other products e.g. collection)
- Unique (or relatively so - present yourself as the only or the leading source)
- Inspires loyalty (product and promotion so good they inspire ongoing purchases)

If you can source a product, or preferably, a range of products that meet these criteria you have the makings of a good mail-order business. I started out in computer consumables, and while this is now a mature and highly competitive market, we still see the occasional resegmenting with a new player entering the market, specializing in particular areas such as networking, toner, mice etc.

My suggestion is to look for the convergence of new technologies and underlying trends. Fortunately, in our times of rapid, overnight change, there are such opportunities everywhere. Often the window of opportunity has a very limited opening due to competition or legislation: Internet gambling, mail-order Viagra, radar speed detectors. Avoid such easy fixes. We need to tap into the Principles of Abundance and find products that are life-affirming and that we can add value to which in turn will add value to our business and make it snowball.

Product areas that come to mind are books and reports on specialist areas, fishing and boating accessories, crafts and hobbies, jewelry, ornaments, prints and paintings, specialist clothing, safety equipment, camping and hiking gear, signs and badges, home security, car accessories, gardening accessories and plants, collectibles, executive gifts, specialist stationery, individualized stationery and products, home entertainment, Internet services. These will give you a guide but your best guide will be your own research and instincts.

Summary

- Mail order is easy and profitable
- Find small, high value products with high margins
- Look for products in emerging trend areas

Chapter 14 - How Do I Source Products for Mail-order?

Firstly, take a look around you. Surf the Net. Read specialist magazines. Talk to people. Tell them you're looking to go into a mail-order business. Do they know of any product that would be suitable? Talk to retailers in the area you want to specialize in. What's their hottest-selling new product? What product do they find hard to source, that keeps running out? Is there a manufacturer who is looking for extra outlets? (What a silly question!) Find the absent-minded professor types with the good idea. Can you take his (her) idea and make a saleable product out of it?

If you draw a blank locally, subscribe to Asian trade journals. Peruse the net. Leaf through Asian Sources or Trade Winds on-line. Email or phone the local embassies, China, Vietnam, Thailand, US. Do they have trade journals? (What a silly question!) Do they have people writing to them with products for sale looking for an Australian outlet? (How long is a piece of string? Not as long as the list of overseas manufacturers looking for Australian distribution.) We tend to think that 'they' have got it all locked up. Coles-Myer, K-Mart, Wal-Mart, Dick Smith. They haven't. Anything they can do, you can copy. Nobody gets 100%. There's room for little old you. Here. Grab my hand. Get up on board.

I've spoken earlier about the mechanics of importing. Like any complex activity it's simply a long series of simple steps. The apparent complexity puts most people off, but in reality it's easy. The main thing you need to remember is you're dealing with people. I believe this is such an important milestone in the transition from passive consumer to active producer of wealth it's worth digressing on.

Our consumer culture has encouraged us to revere and iconize the power of the brand. As a powerless, passive consumer we've been schooled to revere Coca-Cola, Sony, Telstra, McDonalds, IBM etc as monolithic real structures. We've been programmed to respond with awe and respect to corporate and political imagery as if *they* were what we were dealing with. They're not. In every instance, and in spite of the efforts of individuals employed by the company to hide behind its skirts, we deal with human beings.

Fear of 'them', of making waves, of standing out and taking the risk of being shot at often stands in the way of our success. It is the invisible glass ceiling that prevents creativity and stifles thought. The Australian larrikin spirit born of a convict heritage, and the US spirit of innovation and creativity born of a tradition of rejecting traditional authority and striking out to new frontiers, (concepts which are alien, incidentally in Chinese and

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Japanese cultures) leavens this reverence but it's still there and it's a handicap that needs to be overcome. Certainly we need to respect structures, be polite, defer to others, but we also need to question. It's a matter of balance. We don't need to ride roughshod over everyone in the pursuit of our goals, but equally we must not be so meek and deferential that we don't stand up for ourselves. Always question. Always ask "Why?" Always look for the reality behind the structure. It could just be a feeble old fool pulling the levers behind the smoke and mirror façade intoning: "Who dares to question the authority of the great and mighty Wizard of Oz."

Nowhere is this deference to faded authority more intractable than in 'the old country', England. We were staying with friends, he an Engineer, she a Physiotherapist, in their mobile holiday home overlooking Ulswater in the Lakes District. They returned to Bradford to work while we stayed at the lake for another 4 days. When we returned to Bradford they asked how we'd enjoyed staying in the van. "We got bored in the van and decided to move to the Sharrow Bay Hotel for 4 days. It was great."

Their mouths opened in stunned disbelief. "You did what?"

"Yeah, we booked into the Sharrow Bay. Had a nice little cottage at Bank House. It was great. Breakfast in the hall in the cottage, dinner at the house."

"You stayed at the Sharrow Bay Hotel?"

"Yeah." We were starting to wonder if they were insulted we'd left their caravan.

"We've been going to Ulswater for 17 years. We've never met anyone who's stayed at the Sharrow Bay. That's not for the likes of us. It's for toffs! One of our friends had dinner there once for a dare."

"Well, we didn't notice anything. Nobody looked down their noses at us. We had a great time. They treated us really well. We'd go back there tomorrow. I mean, it wasn't as if it was outrageously expensive."

"Didn't you notice the cars? Didn't you see from the way the other guests spoke or dressed you were out of place?"

"No, I mean, we're Aussies. How could we be expected to know?"

The unspoken, dead hand of mutually understood and immovable laws of social position deal instant death to creativity to all but the Richard Bransons strong enough to withstand its grip. Knowing your place provides comfort or predictability but it destroys the inspiration needed to rise up and succeed, and this in a single sentence explains why the pound buys there what the dollar buys here. Their wages are the same as ours but their standard of living is a third of ours.

If you're going to rise up and succeed, you're going to need to not 'know your place', to challenge the beliefs that limit you. And one of those beliefs is: "I'm only me. I can't fight City Hall." You can. You are good enough. When you come to realise that City Hall or 'they' are just composed of individuals like you, with your frailties and humanness you will come to realise that you can do anything that they can do.

Companies are made up of people. They may be focused on making a sale for their company and making profits, but before anything else they are people like you and me. You won't be doing business with the company, you'll be doing business with the person. To do good business you'll need to create relationships with the people. Go over there. Let them take you out to dinner and spoil you rotten. Learn to love Karaoke and the fun of driving to a restaurant not knowing where you are or where the car is parked (if anywhere. The busboy at the restaurant will have gone home by the time you emerge and his instructions as to where the car is parked will be sufficiently vague to prompt you all to get cabs home and find the car next week.) Learn to love eating food you can't identify, even to the extent of whether it's animal, vegetable or mineral. Learn to play MahJong and pick up the cool bits of the language.

Be yourself. Be real. Be friendly. Essentially you are selling yourself to these people. They are checking you out. Do they want to do business with you? If so, at what level? At what discount structure? 'Yecch! Don't like him. Charge him list plus 10%.' It's not so true of the States but in Asia you deal with people and the quality of your interaction will determine the quality of the deal. If they don't like you they'll do business with you but they won't help you out. If they like you they'll treat you like their best friend. But don't be sucked in, either. Check out alternative suppliers' pricing to make sure you're not being taken for an expensive ride. This may cause protestations of breach of friendship but it's just part of the game. They know the rules. Play seriously and they'll respect you for it.

Summary

- Look for products in low wage rate countries that you can buy cheaply and sell for a large profit margin
- You can do it. You are good enough. Just because you don't know how and you've never done it before is no reason to stop you.

Chapter 15 - How Do I Sell By Mail-order?

It's one thing to buy. It's another thing altogether to sell. Buying's easy. We've been doing it from early childhood. Buying is a mutually satisfactory relationship. You buy what you want, pleasing you, and you give cash to the seller, pleasing him. Selling? That's much harder. Or is it? The variables remain the same but you're now on the other side of the equation. What you have to do is convince the buyer that it's in his interests to buy what you're selling. And to do that well you have to swap perspectives and look at it from his point of view.

What are you selling? From your point of view you're selling a drill bit. From the buyer's perspective, he's buying a hole. You need to look at the benefits to the customer of the products you're selling. And you need to sell the benefits, not the product. The customer is simply not interested in you, or helping you out by buying the things you're selling. He's not a charitable giver, buying your bits of scrap metal to help you out, though I've seen many sellers whose marketing seems to take that tack. They sell and oversell the product, thinking if only I repeat myself often enough I'll bore or trick the customer into buying. It doesn't work that way. To be a good salesman you need to get into the customer's skin and look at the benefits the product provides him or her. This is the key.

Let's look at a simple example that I saw this week in "Your Garden": A wicked garden gnome. You want to sell it by mail-order. How do you do it? You could try the oversell method of: "This magnificent, hand-painted garden gnome is a faithful terracotta reproduction of the original present given by King Adolphus to Queen Gertrude in 1426 etc etc." Selling the features of the product. How often do we see this? It's simply tiresome. Or we could try to get into the mindset of the customer who might want to buy gnomes. This is where you've got to think again. What kind of person buys these tiresome gargoyles? A fruitcake? Sometimes. A sentimentalist? Yes. A gardener? Possibly. That would depend a little on the type of gnome. A nostalgia freak? Yes. A Dungeons and Dragons propeller-head? Probably.

The advantage of getting into the head of the potential purchaser is you'll not only come up with a better sales approach you'll also greatly narrow down the range of media you advertise the product in. Knowing roughly who will buy will now start to tell you why they'll buy. Why? To amuse, to surprise, to shock. Themselves? No. Your garden gnome purchaser is buying with someone else in mind. He's not buying to surprise and amuse and shock himself. That wore off in the first 30 seconds. He can't do a Mr Bean and pretend surprise and shock and amusement at the wicked little gnome baring his bum

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every time he sees it. He's going to take it home and try it out on everyone who comes to his house.

How did the "Your Garden" advertiser approach it? He took the easy way out and advertised it under a press release title "A bit cheeky" with a wholesale telephone number. A one-off. My approach? I'd sell the benefits. A colour photo. Caption: "If you've always wanted to do this . . ." And from this one product I'd build a collection of subversive (as well as 'normal') gnomes and a small catalog and a database of loonies who buy them. And every month I'd import or commission more and within a year I'd have 120 gnomes and a database of 30,000 manic customers hanging out for the next ratbag offering. Just a thought. Hand me the Serepax.

On the same page I see a quarter page strip ad for fungicide, herbicide and liquid manure. The main features are near-invisible line-drawings of flowers and vegetables on a dark blue background, unpronounceable 'scientific' product names, and the name of the manufacturer repeated 4 times in 18 point type on a bold red background. And the best part? A Melbourne phone number you can call for the name of your nearest stockist! Oh goodie! Look, an Australian-owned company established in 1950! My goodness they must be reliable. I think I'll rush out and fall asleep.

What are the benefits for me? If you want to sell me something tell me the story. "At last! No more black spot. Are you sick of ruined roses? Have you ever asked yourself why the roses in the Botanical Gardens don't have black spot and yours do? It's not fair, is it?. You work all year and coming into Summer when your roses should be the pride of the neighborhood what happens? Black Spot! Listen to Fred Nurk, head gardener at the Sydney Botanical Gardens Rosarium: "We had awful problems for years with black spot and fungal wilt until we came across Plonkolube. We'd tried all the usual remedies over the years but the funguses developed resistance and the roses started to wither. I was at my wits' end. All the rose fungicides we used here had been developed in the Northern Hemisphere. They don't have the humidity or fungal strains we have here. Then I heard about Plonkolube developed here in Australia by SidRayGeorge P/L. I fell over myself to get to the phone and ordered a sample. We've never looked back. I want to thank SidRayGeorge for Plonkolube. You've saved my reputation. Oh, and the roses look good too."

Tell the story. Make it real in real language. Catch the reader's attention in the first 7 words. Once you've got her, you've got her for the next 1500 words. Catch attention with a benefit. At last, hallelujah, here's the answer to all my problems with my roses. Out damned spot. Begone. Follow by engaging. Ask a question. Are you tired of financial worries? When was the last time you took your wife out to dinner and didn't worry about the bill? Are you embarrassed to smile in case your teeth fall out? etc. Introduce real-life testimonials then suggest a solution.

The art of advertising copy-writing, salesmanship in print, would occupy a large book in its own right. I'm only allocating a chapter of this book to it, so let's begin with the basic principles. Whether you're advertising in a magazine or mailing an offer these principles are as follows:

- Capture attention in the headline
- Spell out the benefits to the customer
- Provide clear, specific, comprehensive photos and visuals
- Include people in the graphics
- Include testimonials (please)
- Include a money-back guarantee
- Provide a means of instant response

Notice I didn't talk about mentioning the technical features of the product. That's optional depending on space, but if you focus on the benefits you'll most likely cover all the relevant technical specs anyway. You could give a list of dimensions or you could just say "handy pocket-sized". The latter is better but you may be surprised at how many manufacturers confuse a technical specification sheet with advertising material. It's atrocious. One of our suppliers even sends us a perspex display module and a handful of glossy full-colour take-away spec sheets. On the front is their glossy high-tech spaceship image with the brand name covering a third of the page and a jet or spaceship zooming off the page with some mindless pap like 'taking you into the next millennium'. And on the back is a list of the products they produce and their techspecs like ambient operating temperature range. Who gives a? But more importantly, they've lost their only opportunity to sell to the customer. They've actually shot themselves in the foot, the knee, the belly and the head. Dumb. Dumb. And dumber!

You don't have to go down that track. You're reading this book for a start. Don't stop at this one. Read any of David Ogilvie's material. Read too, Robert Cialdini's book "Influence: The Politics of Persuasion" One of the key issues he talks about is recommendation by testimonials. One of the reasons the gnome advertiser used the press release area is it doesn't look like an ad. It looks like an editorial and carries with it the cachet of recommendation. Use editorial if you can, but if you can't, create your own editorial by quoting the testimonials of satisfied (hopefully ecstatically delighted, deliriously, wonderfully satisfied) customers.

If you've caught her attention, engaged her self-interest, spelt out benefits and quoted recommenders, it's time to look at closing the sale before she loses interest. But there's one thing you still need to do. You need to make a trial or assumptive close by essentially saying: "Look, I know you're thinking seriously about buying this product. (Which is a bit like saying 'Which do you prefer, the red one or the blue one?' You've assumed they're in test-ownership mode.) Now, let's suppose you've done that, you get the product home and, heaven forbid, you're not happy for some reason with it." Here, she's nodding her head. How clever of you. You've been thinking exactly what I've been thinking. "Well, look, I know it's really unlikely because we've sold thousands of these hobgoblets and everyone's been delighted with the benefits of owning them, they've even taken the time to write telling how delighted they are. But I know how you feel. I've been caught before. So, for you, I've decided to offer you an unconditional, no-questions-asked, money-back-if-not-satisfied-for-any-reason-whatsoever guarantee. How's that?" And you get her nodding. Yes. That sounds good. If I don't like it I can return it at no cost. Where do I sign?

And you grab her. With a great big *Yes!* Please rush me the following: etc. in a tear-off bottom right-hand coupon or a fist-sized web page button. You normally only advertise on right-hand pages in the first quarter of magazines, but for spectacular results take the back outside cover (coupon bottom left). It'll cost up to 4 times the price but it should return at least 10 times the response. The only reason more advertisers don't use this position is there's only one of them and it's usually taken by a very clever rascal who books it out permanently. Why do outside back covers work? Most people never do more than glance at a magazine. However it falls there's always a 50% chance it'll land back cover up. When you're sitting eating a bowl of WeetBix at the coffee table, idly watching Good Morning Australia, chances are you'll use the Sunday paper's tv guide as a place mat. And your eye will be attracted to the little Coca-Cola billy-cart doll advertised by Franklin Heirloom Dolls at \$295 in 10 interest-free installments. And you'll think: "That's interesting. Doesn't that doll look like Bernard's youngest? I should show that to his mother. Fancy that! Hmmm. I didn't know that. 45 firing days. 20 inches high eh? That would look good on this coffee table, that would." And before you know it you're transported into the kind of alpha state the copywriters are paid serious money to inflict on you. And "Yes! I think I'll buy that. A free-call number. Isn't that thoughtful? And I won't be billed till after it's shipped and I've got 10 months to pay. Oh, these people are saints. I love them."

You can be a saint too. All you need is to understand the emotional, physical, social, psychological wants of the customer and fill them. To understand how to do it study the professionals. You could do worse than to simply emulate them.

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Let's look at it in a little more detail. When you analyse a good mail-order ad you come to realise that nothing has been left to chance. The headline captures your attention and challenges you to respond. The visuals reinforce the headline. The subhead reinforces the benefit and challenges and carries your eye to the body copy. Sub Headings scattered through the body copy carry the message in bold shorthand, quickly reassuring you that you're not wasting your time, encouraging you to go back and delve into the body copy. Testimonials and guarantees shore up the buying signals and the response mechanisms carry the buyer over the line.

Everything flows in a continuous swoop from top left to bottom right. Nothing jars to disturb the flow. No yes but's are permitted. All objections are smoothly patted down until there is little choice but to say Yes! Where do I phone? The copywriter is using proven techniques to get you over the line. You'll Love This New Breakthrough. Order Now! Hurry! Stocks Won't Last at This Amazingly Low Price. Buy One, Get One FREE!! You'll Be The Envy of Your Neighbors. Imagine The Joy on Your Mother's Face When You Give Her this Beautiful Boxed Set of Matching Regency Inspired Cardboard Toothbrushes! We Guarantee You'll Be Absolutely Delighted With Your Investment. And on it goes. There are emotional triggers that work and I've employed most of them in the preceding mock ad.

Summary

- Advertising is salesmanship in print
- Talk to your customer one to one
- Focus on the benefits not the features
- Build drama until the conclusion (making a sale) becomes inevitable

Chapter 16 - Who Do I Sell To By Mail-order?

There's a school of thought which says *who* you sell to is more significant to your profits than what you sell or how you sell. In mail-order this is certainly so. You can produce a wonderful ad or brochure that meets all the criteria I've mentioned and it could fail abysmally. Equally, you could produce a lousy ad which sells its head off. The difference is who you market it to.

If you were to take an ad for an anti-aging cosmetic and place it in a magazine pitched at pre-teens you would certainly produce poorer results than if you placed it in a magazine pitched at the over 45's. Equally if you mailed out an ad for a hunting knife you would get a far better response from a list of 4-wheel drive owners than from a list of Mills & Boon book-list subscribers. The variability in response with who you mail to can be as great as 20 times, whereas the variability in response with what you say (content) and how you say it (style) might only be 3 to 6 times.

It's crucially important, therefore, to carefully define and specify who you sell to. Fortunately we have a lot of help available. Whatever you choose to sell, there is a target magazine, Internet user group or mail-list available. The proliferation of special interest magazines is so great now it has radically altered the appearance of news-agencies. When I was at school I can remember you could count the number of Australian magazines available on your fingers. Wheels, Your Garden, Women's Weekly, Woman's Day, New Idea, Pix, Post, and perhaps a couple more. There was no such thing as a separate news-agency. You bought papers at the fruit shop, the news barrow or the grocery store. Today, there are literally thousands, certainly more than a thousand Australian titles available regularly, and many thousands more foreign mags.

You have an embarrassment of choice. Which introduces its own problems. While you can target your market very precisely with specific magazine titles, in order to get an across the board spread you'll need to advertise in a number of magazines. The broader the appeal of your product the more generalist, and therefore expensive, the advertising you need to do and the lower the response per dollar, while the more targeted the product the more you will have to use specific, narrow bandwidth, high-response magazines. This becomes costly as you spread your dollars across the spectrum of magazines to secure sufficient turnover. What's the answer? Database marketing

The secret lies in creating your own 'magazine'. Instead of tagging along with someone else's advertising in a national magazine or newspaper what you have to do is produce

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your own standalone advertising, possibly in the form of a catalog or newsletter, which you mail and email to your own database of customers and potential customers. The database is critical. You'll get at least 6 times the response advertising to people who've previously bought from you as your past customers already know you, they've taken the risk of purchasing from you and they've self-selected themselves as consumers of your particular product. I'll talk elsewhere about the theory of database marketing but here let's look at how you acquire your database.

My own business started with a small ad in *Interface Age* from which I made enormous sales. I also acquired many thousands of names and addresses from general inquiries to the magazine which were forwarded on to me in the form of computer-generated mail labels. I mailed to these people at enormous cost and failed to make a single sale. Help! What's going on? What went wrong? Why was it that the ad sold like crazy but the inquiries failed to give me a single sale? I had to think about that for a while. Then I realized that those people who were going to take a \$55 risk on an Australian mail-order company already had. They'd bought the goods. The people who filled in reader response cards were a totally different animal. Looking at the reader response card I realized they were to be fed through mark-sense card readers. It didn't take long to realise that the majority of 'reader responses' were in fact morons who'd coloured in the whole card. I'd wasted a couple of thousand dollars on them.

If I was going to grow my business (and by this time I'd had to dump my own software product as it was hopelessly flaky) I was going to need to cut my advertising costs down to a bearable amount. I soon realized that with an increasing range of products I could go back to my original customers with a different offer. It worked. With my customer base of only around a thousand people I could select new products and write to them. The response rate was (and you have to now put a Billy Connolly accent and emphasis on this word:) brilliant. I remember seeing a beta test version of one of the first animated graphics programs for the Apple: *Choplifter*, at Roger Keating's place. Roger worked for Strategic Simulations in the US and had access to the latest goodies. I wrote to the hundred largest customers who had purchased similar games (This was well before the Internet). I hand-wrote the address on the envelope and roneoed a single page letter full of breathless praise (if not deathless prose) for this new program, advising they could pre-purchase now for delivery in 6 weeks. By the time I took delivery of the software I had a hundred and two orders. A hundred and two percent response! At a cost of \$20 and sale price of \$60 I'd made \$4000 for ten minutes work.

It dawned on me then, the value of my mailing list. In the early days, pretty much all you had to do was write with any offer to a computer owner and you'd be swamped with orders. Schools were taking them on, particularly high schools, so I attended schools computer conferences. I was even invited to a Federal Government think-tank in Canberra complete with chauffeured pickup and delivery to the airport. Wherever I went I collected names and addresses.

My mailing list built and built. Two hundred, a thousand, ten thousand, twenty, fifty, a hundred. What I started to discover is that I was starting to waste money mailing to people who didn't purchase. In the very early days almost everyone with an Apple computer (This was well before IBM entered the PC scene) was automatically a customer. As soon as my mail-list hit a couple of thousand I started to suffer real rejection. People wouldn't buy from me. Why? They had a choice. New outlets opened. Random Access. Seahorse. Direct Computer Sales, ComputerLand. I didn't have it all to myself any more. My customers were going elsewhere. How dare they, after all I'd done for them. Harrumph! Then I realized that this is normal. The only time you'll get 100% of the sales is when you're the only seller. It was time to get efficient.

And I recalled the ChopLifter episode. My best customers were my best prospects! It will always be so. I started regularly mailing to the top 20% of my customers and my sales accelerated. I started too, to read marketing advice and tried some interesting techniques such as getting my customers to recommend my company to their friends. Sales rose again. I started noticing the trend for high schools to acquire computers so I got every phone book in Australia and typed in the name and address details of every high school. Later on I was to add primary schools, and still later I purchased collated lists and added in the missing bits.

One of the greatest advantages I had in mail-order was my existing database. I used it to grow my business. Who is most likely to buy? People who have already bought or people like them. My database includes purchase history as well as such critical information as email address and fax numbers enabling me to infinitely target my advertising. By including advertising material in my parcel mailings, with a note to pass it on to friends, or write the names of computer-owning friends for my database, I was able to increase my sales by 10% for no additional cost. Equally, by including twinned discount vouchers, one for you, one for a friend, and offering twinned sweepstake prizes, one for you, one for a friend my sales continued rising. Pauline's publishers use the same technique, printing a re-order form in the back of her book. This now accounts for nearly all sales and costs nothing. This is a particularly powerful technique, second only to recommendations and testimonials.

On the order forms I would always print a space asking for customers to write or fax back with their response to our service. I would publish the best of these on a full page in our catalog. Testimonials work.

Advertising regularly to my best customers was the answer. Once a customer hadn't purchased for a couple of years they were downgraded to the irregular large mail-shot.

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The lifecycle of the customer is like the lifecycle of a product. They eventually drop off. Nothing I can do about it but accept and adapt to it.

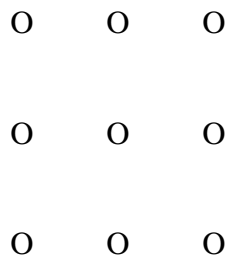
Summary

- Who you sell to is the most important variable
- Target through special interest publications
- Build your database. It's your greatest asset
- You get 80% of your business from your top 20% of customers

Chapter 17 - Now I'm in Business How Do I Grow?

If you survive the weaning period you'll battle on, get an office, some staff, a flash car and settle down to the comfort zone of running a small business. Sales will come in. Profits will accumulate. You'll get a reputation and you may even start to gather that most elusive attribute: goodwill. But then, you'll find something odd will happen. After a couple of years you'll stop growing. No matter what you do, you'll find your head hitting up against a glass ceiling. You can see through it to where you want to get. But you won't be able to break through. And to grow, there's no other way. You'll have to break through this ceiling.

Stay with me and I'll show you how to break through, but first let's rattle our cages and try to break through the mindset that may be responsible for this dilemma. Take the following two puzzles:



Puzzle 1: Join the dots with 4 continuous straight lines without lifting your pen from the paper.

Puzzle 2: Take a pen and make a continuous snail track through each section of straight line of this puzzle making sure you cross each section only once, you don't cross over the trail and you don't miss any lines out.

I recall doing these puzzles at school, presumably the teacher wanted to go out for a smoke and wanted to keep us occupied for some time. When he returned in an hour nobody had solved either puzzle, and so rather than show us the answer he said he would solve the puzzles the following week. This only served to challenge us to try harder and some of us became obsessive about it, while others simply gave up in disgust.

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The following Friday he drew the puzzles on the board again, took the chalk and did the following:

O O O
O O O
O O O

Puzzle 1, he said could only be solved by thinking outside the square, while Puzzle 2, he confessed was simply insoluble. It couldn't be done.

Working definition of insanity: To continue to do the same things expecting a different result

Why have I told you this? So often we persist in doing things the same way hoping for a different result. We fail because we *fail to understand*. We are driven by circumstance rather than driving it. We operate in damage control mode, putting out fires rather than thinking our way through. Consider Covey's activity quadrant:

	URGENT	NOT URGENT
IMPORTANT		
NOT IMPORTANT		

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Clearly, most of the time, we're obliged to work on the things which are urgent, putting out fires in the urgent/important (U/I) quadrant and feeding the squawkers in the U/NI quadrant. Once we've handled the pressing matters what do most of us then do? We play. We shoot down to the NU/NI quadrant taking clients out to dinner, going sailing or pottering in the garden. Rarely do we spend enough time in the NU/I quadrant, strategic planning. This is the purpose of this book, to assist you to think. Covey's model, from 'The 7 Habits of Highly Effective People' lays it out simply so you and I can understand. To break through the glass ceiling we need to move past the mindless activity stage, go into the contemplative quadrant and think about what we're doing.

Last month I was asked to take over the roster for a volunteer social welfare office. After years of lobbying we'd finally scored a small room in the hospital for our regional head office. We had a desk, a phone and a computer for producing handbills and we were staffing it on a rotating roster. Trouble was, nobody wanted to do it. We'd reduced the hours to 10 till 2 and still it was hard to get volunteers. My colleagues rallied round saying they'd help by asking at meetings. But I said "No. Let me think about it before I change anything." I looked at the operation and asked questions. What are we here for? Who calls in? How often?

It turned out that we receive 5 phone calls for help a week plus 3 drop in visits from existing members looking to buy literature or have a cup of coffee. Almost all phone calls came in at night. When the office volunteer left for the afternoon he or she would flip on the answering machine. The message read: "Our office is presently unattended. Please ring xxxxxx or yyyyyy or zzzzzz." No wonder nobody wanted to man the office. They were bored to death. We wanted them there because we had an 'office' and if you have an office then logically you've got to have an office person. The medium dictated the message. We were thinking from the point of view of the proprietor, not the customer.

My response was to look for a better way. What we needed was an office that was manned 24 hours a day, seven days a week. The solution was to purchase a bright yellow mobile phone. Ten dollars a month, incoming calls only with keypad locked. Whenever the office is unmanned (unpersonned?) which is 90%+ of the time the phone is switched to the yellow batphone. We have a queue of people waiting to take turns carrying the batphone around. 'It's my turn this week. You had it last week.' The phone has a list of instructions (sorry, suggestions. We're dealing with volunteers here.) laminated to the case so it doesn't matter who has it or where it physically is. It is always answered by a live, though not necessarily wide-awake, person. We achieved what we set out to achieve.

So often we say: "If only I try harder I'm bound to succeed. Some's good. More's gotta be better." And yes, there is some truth in this. The harder we try, generally speaking, the

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better the result. Persistence is deified as the key to business success and in most instances it is. We're all familiar with Calvin Coolidge's ubiquitous quote: "Nothing in the world will take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent."

But I'm not sure if the slogan 'press on' has solved and always will solve the problems of the human race. We may be doggedly and persistently climbing the ladder of success against the wrong wall. What if the key information, such as 'Think outside the square', or 'Stop now, the problem's insoluble' is missing? Then we will reach a point of diminishing returns where working harder does not produce results and we hit the glass ceiling of frustration and depression and we'll start thinking about selling out of this hopeless business we're in. All businesses reach this point. If you like, it's the business equivalent of the Peter Principle where we get promoted to the level of our incompetence. In business we run out of the juice of innovation that got us to this point and we become ho-hum.

Are you doing the right thing, or just doing things right? Work hard on your business and you're doing things right. Start to focus on your customer and you're doing the right thing!

You can't avoid hitting this ceiling in your business. If you want to go somewhere you've never been you're going to have to take a road you've never traveled. Let me now put you on that road that will unlock the millions of extra potential dollars from your business. Your customer. No, I'm not going to launch into that "awesome service" stuff, espoused by motivational speakers. That's all good stuff but I'm not trying to talk you into having the "world's best" anything. You don't need it. What you do need is to think outside the square.

Most small business owners do all their thinking inside the square: "I'm good at what I do. I like what I sell. I like working in this industry. I've got a good customer base, good location, good products etc." The question I ask is: Why do your customers buy from you?

"Well, I have a good range of well-priced products, well-displayed. We offer good service, home delivery. We're better and cheaper than anywhere else."

Yes, but what brings them there? What prompts them to open their check books?

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"Well, we advertise in the local paper. We have helpful staff. We follow all the guidelines of our industry association. We're quality assured".

That tells me about you and what you do. Tell me about your customers. Which customers are coming in next week and what and how much are they going to buy?

We will make a thousand times more money from a good idea

than ever we will from bending our backs

When you can partly answer that question you are close to possessing that one good idea. What I am about to tell you will give you the solution to unlocking the millions of dollars NOT being spent at your place of business. Automatically and with no effort on your part.

Of the 18 million people in my country (Australia) perhaps five or ten thousand will be your customers, and of these perhaps twenty per cent are regular customers and perhaps a hundred will account for 10% of your turnover. You'll have 60 customers a day spending an average \$63 each. And you ask yourself: "How can I increase my sales?" What are you going to do? You can take out an ad in the local paper offering 10% off which costs you \$600, accounts for maybe \$1300 in sales at 30% instead of 40% margins and you've lost money. The paper's "Advertising Accounts Executive" will tell you: Yes, but you've got 20 new customers and they're likely to come back again and again. Hmm. Or you bite the bullet and commit \$9,000 to advertising during the local news hour and occasionally on Burke's Backyard. And the results are the same or worse.

Who'll keep your sales ticking over all this time you're gambling with the firm's future? Your customers. Most new business owners fall into the trap of neglecting their customers in favour of trying to drum up new business. Worse still, their existing customers become disenchanted with them and move on.

Summary

- To double sales you need to break the limiting mindset and think outside the square
- You need to work on the business, not in the business
- You need to do things differently in order to get a different result

Chapter 18 - How Do I Look After My Customers?

Your existing customers are your untapped gold-mine. To tap it, you will need to understand them better than you do now. Which gets me back to my original question: "Why do your customers buy from you?" Let's think outside the square. Why do I choose one supplier over another?

Four years ago my niece was getting married in Western Sydney and I thought it would be a nice treat for my wife to spend the night at a 5 star hotel. I rang a new hotel to make a booking. After 3 abortive attempts during which I was put on hold each time because the reservations clerk was busy and the person I spoke to had no authority to help me, the customer, to buy what they were selling, I said: "Each time I've called you've been friendly, pleasant and efficient. You've done an excellent job. You've followed your company's customer service guidelines to the letter. But I'm still trying to buy what you're selling. When you are ready to sell me what I'm trying to buy will you please phone me back . . . "

And of course, I'm still waiting. The receptionist was doing her job as well as she knew how. She was role oriented, but she was not goal oriented. She couldn't take my reservation because the company she worked for was not customer focused. But there was a nice little touch of irony 2 years later. I received this phone call:

"Good morning Mr Parry. This is Leslie from the Hotel 5 star."

"At last! You've finally returned my call."

"Pardon."

I told her the story of the attempted purchase 2 years previously.

"I'm not calling about that Mr Parry. I'm phoning on behalf of the manager to invite you to join our Platinum Privilege Club." Customers want *service*. The reality must match the promise.

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What does your customer want? I can tell you what she doesn't want. She doesn't want to buy the goods and services you've so artfully displayed. That's what you want. She doesn't want that at all. What do I want when I go shopping for goods or services? I want to feel good. I want to go somewhere that's more attractive than what I have at home and feel envious enough to want to do something about it.

But there's an even more basic reason why I choose to go to one retailer in preference to another: The need for *recognition*. We live in a harsh society where fear of neighbor has destroyed the sense of community. Everywhere you go it's big and impersonal. You could spend your whole life with nothing but shopping malls, fast food and TV. Loss of community results in loss of identity. We each need to be recognised, accepted, needed, wanted and loved and if we don't get it we shrivel and die. I like to feel welcome. I like to feel I belong and that people would miss me if I weren't there. I like to be treated so well that I would be embarrassed to go elsewhere. Let's finish the hotel story.

I didn't go to the hotel in the Western Suburbs. I went to my favorite hotel in the centre of Sydney, the place I call my Sydney home:

"Good morning Mr Parry. Are you staying with us today?" (*Recognition. He knows my name.*)

"Yes, thanks Pasquale. (*I knew his name because he has a name badge and I'd spoken with him many times before. If you want to dramatically increase your sales, give your staff prominent name badges.*) I'll need the car. We're going to my niece's wedding after lunch."

"I'll look after it for you sir. Leave your bags here and I'll see they get to your room. Enjoy your stay." (*I'm feeling good. I like these people*) The doors swing open: "Good morning Sir, Madam." (*More stroking.*) We front the reception desk which is busy. Magically another member of staff comes from the office and takes over. In fourteen years we've never had to wait or queue to check in or out.

After lunch we walk to the foyer, Pasquale sees us, comes over to us, escorts us to the car which has magically been washed and wishes us a nice wedding reception. Who wouldn't go back? Over the years we've had flat tires changed, left luggage personally delivered to our farm near Cessnock, thank you letters, invitations to openings etc. I'd be too embarrassed to go elsewhere.

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To unlock the extra millions presently going elsewhere you're going to need to focus on your customer instead of your business. "Inside the square" thinking at this point would focus on attracting customers. Promotion, advertising, discounting etc have their place but to truly understand the power that customer focus gives you, you'll need to jump outside the square and look at preventing customer desertion. Think of your new business as a sink with the plug out. The tap is pouring customers in at the top and the plug is draining customers at the bottom. To increase sales, the advertising agency advice is to turn the tap on harder. It's much better to put the plug back in and find a way to stop our customers deserting us.

Why do customers choose not to return? They won't tell you they're not coming back, they'll just stop coming. Why? If you ask a typical Australian business owner, he'll tell you: "They got it cheaper down the road. There's a new outfit started up taking my business. The customer has lost interest in this area of activity." And so on. If you ask a good marketer, he'll tell you the reason why customers change allegiances in 67% of cases is perceived indifference to the customer's needs.

More than two-thirds of customers switch allegiance

due to the perceived indifference of the retailer to their needs.

Our task as business owners is to provide our customer with a place she can be safe, recognised, a place where she feels she really belongs. Do you provide this? How easy, friendly and inviting is your phone reception? Are you focused more on your business than your customer? Does the customer come away feeling: "What a wonderful bunch of people! They really care." And if you're thinking: "Oh no, I couldn't offer that level of service", relax. You don't have to. The computer does all the boring work for you leaving you to the important task of caring for your customer. And whatever you do, don't leave the computer to care for the customer. That's your job. It's only customer-intolerant organizations like Telstra and Centrelink that can afford to alienate customers with answering systems instead of smiling receptionists and even those behemoths are changing. Your goal is to increase sales. Your customer's goal is a positive and rewarding experience. Nothing could be simpler if you think outside the square. To double your sales all you'll need is for your existing customers to spend a little more and to come back a little more often. And they will if they're happy.

You'll need to advertise heavily but don't waste your money. Mass marketing may establish your business in people's minds, but the most effective way of making sales (The only thing that counts) is communicating directly with existing customers and getting them to promote by word of mouth. We verified this in our business over the last few years by belatedly coding all our advertising material with a prefix and tracking every sale. It produced some amazing results. To my utter shame and embarrassment it

turned out that the only form of advertising that returned more than it cost was direct mail, email and outbound fax. All the time we'd been advertising heavily in magazines or attending trade shows, taking radio and tv time, it all cost more than it returned. We'd been in business 17 years and had attended a dozen trade shows before we took the trouble of actually tracking the value of the annual PC show to us in ongoing sales. The result: Cost \$6,000. Gross profit \$1700. Net loss \$4300. New customers: 17. Magazines were little better. We would print 25,000 overruns of our catalog and insert them cheaply in PC magazines at a total cost of 40c. Total outlay: \$10,000. Gross profit: \$4200. Net loss \$5800. New customers 37. Compare that with the return from our catalog sent to our list of existing customers: Total outlay \$73,000. Gross profit: \$523,000. Net \$450,000.

It was an expensive learning curve. The solution put to rest Lord Leverhulme's adage: "Half my advertising is wasted but I don't know which half." We knew which half now but it didn't remove the grief of wasting 8 million in years past churning out ineffectual mass marketing. Incidentally, the reason mass-marketing failed for us is we are a specialty mail-order company. Were we a retailer of mass-consumption product, mass-marketing would most likely be the most appropriate method. It's only testing that can determine it. Seventeen years on we learnt the value of testing. We already knew the theory, the loyalty ladder, but for a long time it remained words on paper. It works like this:

Loyalty Ladder

Advocates

Clients

Customers

Prospects

Suspects

At the bottom of the pyramid are suspects, possible customers, people you'd advertise to through special interest magazines. Prospects are people who haven't yet purchased but have made an inquiry. Customers have made one purchase. Clients have made one or more repeat purchase. And advocates are people who routinely purchase from you and who recommend you to their friends. Obviously the numbers shrink as you move up the ladder and herein lies the problem. Traditional mass marketing has been a numbers game and if you've got 100,000 suspects and 3 advocates the traditional advice is to spend \$10,000 advertising to your suspects. This will usually at best pay for itself in the first few months with the profit coming from repeat purchases. But look at the cost benefit:

Cost/benefit. How much it costs to make one sale:

Advocates: \$(10)

Clients: \$0

Customers: \$1

Prospects: \$10

Suspects: \$100

You spend \$10,000 advertising to your 100,000 suspects and you'll at best get 100 sales. It's costing you \$100 to achieve each sale. Spend the same amount advertising to prospects and you'll get 1000 sales. The trouble is you only have 4000 prospects. You can't spend ten grand on them. At the point where you're getting exponentially higher returns on the dollar you're conversely getting exponential reduction in numbers of people you can advertise to. The answer: Build your customer base and spend the majority of your marketing budget stroking your best customers.

Who are your customers? If you don't know, you're in real trouble. But thankfully it's never too late to get out of trouble. To find out who your customers are, invite them to leave their name and address details in a jar or on a pad, and routinely enter them in your computer. At 50 customers a day you'll collect a thousand a month. This is the low-cost, homegrown basis of a massive financial forward surge in your business.

Writing to your customers, even if it's just a monthly newsletter will produce at least a 10% increase in sales for a fraction of the cost of normal advertising. But remember the loyalty ladder: 80% of your sales will come from the top 20% of your customers. Don't waste money writing to people who don't buy. Some years ago, in the very early days of computerization I was approached by a man who had been running a craft mail-order company for help in managing his unwieldy database which by now had 17,000 entries. They were mostly prospects, with the usual reducing proportion of customers, clients and advocates and I asked him what method he used to determine who he mailed to.

"I just mail to all of them." He told me. 17,000 pieces of mail, 4 times a year. An enormous expense.

"How would you like me to double your sales and halve your advertising costs?" I asked.

"Show me how and I'll kiss you!" I showed him how but politely demurred on the kiss.

"Mail 8 times a year to the top 20% of your database, twice a year to the next 30% and once a year to the rest." He did and it worked. Look after your best customers. Treat them like the friend-of-the-family they really are, and they'll keep you in the lap of sybaritic luxury for the remainder of your days. Too many novices in business adopt the "Some's good, more's better" approach. Don't do it. Remember: "Less is more, more often."

Jump outside the square again. I like to go to a local nursery which caters to me rather well. A nice cheery greeting, lots of helpful advice as we wander around, free coffee and biscuits for when my legs give out, help with taking purchases to the car and so on, and of course we get those \$2 vouchers which we occasionally redeem and I guess we'd spend \$120 each time we go, which without any promotion is probably 5 times a year. A good outfit. Canny marketers. Last time I went I'd spent an hour fruitlessly waiting for a specialist to show up at the local hospital with my report telling me I was perfectly healthy anyway that I decided to reward myself and my long-suffering wife with a trip to the nursery and lunch at the Rose Cottage.

So my wife and I potter about at the nursery when there's nothing much happening and we spend a small amount of money. But there are times when a sinful amount of money is called for. You remember the Rodeo Drive scene in "Pretty Woman"? It's the syndrome: "How much do you love me? . . . THIS MUCH!" Birthdays, Anniversaries, Christmas. These are the times when we open our wallets and weep.

Are you getting this money? Not yet? Do you know why not? I can tell you. If you're not getting it it's because you're not asking and you're not asking because in the customer's terms you're a total dunce. Does this describe you? You don't know the name of the person you're serving: You don't know her birthday: You don't know her husband's name or birthday: You don't know where she lives: You don't know what she's dreaming of buying next: You don't know her hopes or fears or dreams. All you know is she's just bought a plant that you've made \$8 on, it's totally unsuitable but with any luck it will curl up and die and she'll have to come back and buy something else.

I'm unwrapping this fairly slowly for you because, if you take it on board it will be the turning point that catapults your sales into the millions and it's worth your careful consideration. We live in difficult, competitive times. Discounting is rife. It's a dog-eat-dog climate. I know because I ran a computer mail order business for 20 years. We

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survived on the knowledge I am sharing with you. You don't have to get big or get out. But you do have to get smart. Understand your customer. Look after her well. Whenever I travel I take my top 500 customers mail list and in the boring times I write them a postcard. Whenever I send a postcard I get a 35% response within a week and a 70% response within 2 months. I sent a postcard to my top customer purporting the photo to be a view from the farm. He rang and said: "Is that really the view from your farm?" I told him: "No. Poetic license. It's the view near the farm. Why don't you come and see for yourself?" He came for lunch the following week with his family and the week after that spent \$27,000 with me.

Get close to your customer. Get to know her. I say "her" because 80% of retail customers are women. A man tends not to shop. But he does buy and will often outspend his wife on a single outing so don't neglect him. To get close you will need information. And to get information you will need to ask. I am amazed at what people will tell you when you ask. But you will do better if you reward them. You will need a database and I find if you give people something for nothing or even the chance to win \$25,000 (the chance to win a \$1 scratch lottery ticket. How miserable can you get?) they will tell you everything you ask them.

To build your database you'll need the following information: 1) Her first name. 2) Surname: 3) Address 4) Her birthdate 5) What she wants to buy next. 6) Phone and/or fax #. 7) Email address 8) Partner's first name. 9) Partner's birthdate 10) Wedding anniversary 11) The names and addresses of friends with similar interests etc. Give her a VIP club membership card and number and each time she purchases you build an increasingly useful profile. From this it is easy to send her a letter targeted to her needs and interests. We could send her husband a letter reminding him of her birthday or their wedding anniversary. We could automatically fax or email birthday greetings or discount vouchers. In March a customer rang to thank me for her birthday fax. She was in Ballina and her Canberra staff had rung her to tell her she had received a birthday voucher from my company. I told her that the computer had done it, that I had had no hand in it, and that I send 6000 birthday faxes a year. She's my sister so I thought I'd better come clean.

To start thinking outside the square you'll need a computer. One of the fringe benefits of computerizing your business is it makes it more efficient. The computer will control all your stock, payroll and accounts but it will also automate much of your marketing. One of the most successful strategies is the VIP club membership card which automatically prints a small discount voucher on the receipt valid for the next purchase with a 2 month expiry date. Businesses using this technique report a better than 70% response. Powerful, compelling and totally automated. Automation. If it isn't easy you won't do it. It has to be totally automated, transparent and, naturally, computerized.

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For me, though, the real value of the computer is it helps me snuggle up close to my customer. I can select those customers who haven't been in for 3 months and send them a special offer. I can select people who buy a particular product and tell them about the new season's shipment. I can find husbands whose wives' birthdays are coming up and whisper an offer they can't refuse. And I can save money by no longer feeling obliged to spend it on space advertising.

If doubling your turnover in a year sounds like hype, think again. One of our local clubs implemented the birthday promotion to its restaurant and now fully half its bookings are for birthday groups. The same for a local hairdresser. In my computer mail-order company the only form of advertising we do is direct mail. Once you set the system up it works automatically. Every day.

Summary

- Get to know your customers
- Don't waste advertising dollars on mass advertising. Learn to target customers
- Remember the 80/20 rule. Focus on your best customers
- Personalize your mail-outs. Remember birthdays.

Chapter 19 - How Do I Promote my Business Without Spending More Than I Get?

In my computer mail-order business of 20 years I started out mailing simple brochures which I roneoed on the school's duplicator. At the time there was no competition to speak of and so I had an open field and mostly made buckets of money each day. It was easy in those early days. Later on I experimented with a catalog and with full-color brochures and the strangest thing started happening. The return on the dollars spent started diminishing as the competition got smarter. All the old "smash and grab" techniques that had served me so well previously no longer worked. Some brochures cost more than they returned.

I had to look at cost-effective marketing which meant I had to think outside of the "Some's Good, More's Better" square and start tracking the results. Adding unique codes to each brochure meant I could see what worked and what didn't. Most direct-mail advertising worked. Most broadcast advertising didn't. I had started out in business selling one-off products. Even when my sales peaked in the late 80's I only had 36 products but one product, the 5.25" floppy disk, represented 55% of my sales. Brochures were fine for this. All I had to do was mail out another sale brochure with a lower price on my top selling product.

But the market started changing. Suddenly no one product could be relied on to keep our sales going. Discounting no longer worked. Competitors were selling cheaper than I could buy the product. What my customers wanted was a range of products, so I dramatically expanded our product range and our brochures began to grow in size. So we bit the bullet and employed a full-time graphic designer and it took 9 months of full-time effort to produce our first major catalog. This first 64 page catalog returned \$3.60 in profit for every dollar spent, while our next 84 page catalog returned \$6 and our third, which was a 100 pager returned \$4.50.

A catalog is a huge investment of time and money compared to brochures, outbound single-page fax brochures, and newsletters. But catalogs outpull all our other advertising. If you have a wide range of products you want to sell, a 100 page catalog adds credibility that no brochure can produce. Think of sale brochures as artificial fertilizer and a catalog as organic fertilizer. The sale brochure produces a quick flush of sales but effectively depletes the soil whereas the catalog lasts a year and improves the fertility and tilth of our market's "soil".

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Catalogs last forever, particularly if they are thick. If someone sends you a 256 page catalog on products you're interested in, you're very unlikely to bin it. In fact the only time you're likely to throw it away is when the supplier replaces it with the next year's copy. It's a bit like phone books. You don't toss it out after you've used it once. You keep it as a reference work.

Wherever you can, add value to your relationship with your customer. Include in your catalog reference tables, handy web addresses, even a street directory or map of your town. The more valuable you make it, the longer it will be kept. But I'm probably running ahead of myself. A catalog is a \$100,000+ investment and may be something for you to consider later down the track. Let's look at some proven techniques for increasing your sales.

Recall the 80/20 rule: You get 80% of your business from 20% of your customers. What this means is you need to focus on your better customers, write to them, fax them birthday vouchers etc. But it also means you need to focus on the quality of the relationship you have with them. Try this as an experiment: Ring up your business pretending to be a customer, and document your experience. You may be unpleasantly surprised. Your telephone is your business' shop window and too often it is spoilt by sloppy and indifferent telephone service.

This is critically important. It will cost you nothing but it could easily double your sales. I recall phoning a supplier, a major US corporate in Sydney. After waiting on for 43 rings I got the receptionist: "Good morning XYZ Company!" she snapped in a harsh nasal tone which expressed her exasperation at being so overworked. I had intended to call our rep but changed my mind: "Good morning. This is George Parry from D.A. Could I speak with the managing director?" After a little telephone tag I spoke with the M.D. and told him that his receptionist was ruining his business and that if he didn't train her in phone skills she was going to cost him millions.

What are these phone skills? They are very simple and critically important:

1. Answer the phone on the third ring
2. Put a smile in your voice
3. Say: "Good morning XYZ Company. This is <yourname>"
4. Adopt an attitude of helpfulness

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If the phone is too busy to answer it on the third ring, you need more phone staff. In our office there is no receptionist. Each of us is trained to follow the phone standards listed above and if the phone rings a fourth time I make my irritation known. Nothing is more important than serving your customer. Unless you are already directly serving a customer you must drop what you're doing and answer the phone.

We apply the same concept to serving at the counter. Nobody is kept waiting. We are not the railways or the post office. We can't afford to alienate our customers. When a customer comes into the shop and fronts the counter one of our staff goes up to them and says: "G'day!" This is deliberate. We don't say "Can I help you?" We ask an open question like "G'day, how are you going?" so as to engage the customer. The customer is there for a reason and if you can make her feel comfortable and unthreatened she will relax and open her purse for you.

These ideas may seem like common sense to you as a business owner but you will need to inculcate them into your staff, and for that you need to write them down as performance standards. The key to it is to look at things from the point of view of your customer. What would your customer want here? What would she like or expect?

Some time back we implemented a standard of ringing up new customers 10 days after we despatched the goods asking them if they received the goods, welcoming them to D.A. etc. This is a *powerful* technique for converting customers to clients and is well worth experimenting with. We have also recently adopted cold-call outbound prospect telemarketing to businesses and organisations. This technique alone now generates \$3 in profit for each dollar of cost. And it's immediate. You don't have to wait 9 months to get a result. It happens right now and it accumulates and grows bigger each month.

Outbound telemarketing is powerful and immediate. You need to employ people specifically for this task and *nothing else*, as most people, given the choice, will do *anything else* rather than make cold calls. We tried this using existing staff in quiet times and it doesn't work. You need to be a peculiar type of person to excel at and enjoy telemarketing. Dogged, determined, placid and focussed. We are presently experimenting with telemarketing for incremental business and have a team of three experienced telemarketers cold calling businesses from the phone book. They do not cannibalize our existing client base as they have no access to our computer system or our customer database.

Another low cost technique for increasing sales is selling through small classified ads. We often overlook these as they are seemingly trivial but many thriving businesses are built solely on repeat classifieds. When you consider that a full page ad can cost fifty

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times the cost of a classified and a classified can pull as well as a full page ad you start to realise the value they represent

Summary:

- If you can afford it create a catalog
- Establish telephone standards
- Try outbound telemarketing. It works
- Use cheap classifieds. They can often produce the highest return for the dollar

Chapter 20 - How do I Change an Already-Established Business?

Rod is a friend of mine who owns a repair shop in the outer suburbs. He bought the business from his dad. He owns the building in partnership with a tire retailer. It's rundown in a seedy, no-go part of town. Business is extremely ordinary and he wants to improve. In fact, although he doesn't know this yet, he wants to make his first million this year. Can he do it? Yes. Let's take him through the process:

His first requirement is to take inventory of his business direction and what he wants from life. What business is he in? Remember that everything changes. As we enter the new millennium the one constant we can rely on is change. Last century the big entrepreneurs in the US were in the railroads but their real business was land development. They owned the land which they had bought for a few cents an acre and built the railroads to add a few zeroes to the value of the land. When they'd sold the land they settled down to try to make a living from the railroad but as modes of transport changed this century they failed to adapt. Why? They did not identify what business they were in. They thought they were in the railroad business but really they were in the transport business. Had they recognised this they would have built airlines, freeways and resorts, but instead they persisted with rail, silos, abattoirs and costly infrastructure at a time of declining revenues. McDonalds operate two businesses. The public face is fast food, which pays the bills, but the real business, which provides the profit, is franchising and real estate.

Angus & Robertson, a major bookseller in Newcastle, recently reappraised what business they were in, and discovered they were not in the book-selling business. That's what they wanted. They wanted to sell books. Anything else was a distraction. But they applied lateral thought to their business and considered the business from the perspective of the customer. And they were shocked to discover that their customers were not interested in buying books. They came to browse, to fill in time. It's obvious when you think about it. What do I do when I'm in bored tourist mode? I fill in time browsing through bookshops. It's the *only* time I go into a bookshop. I never go in to find a specific book! Last month I was in Canberra staying in a hotel while Pauline attended a conference. I was bored so I cruised the three bookshops in Civic and spent \$100. I didn't go there to buy books. I went there for something to do. And I spent the most at the shop with the lounge chair.

A&R are in the business of occupying the time of bored individuals. People never go into bookshops in groups or if they do they immediately split up and browse. They go there as individuals to fill in time. A&R recognised this and reorganized their store to incorporate a coffee shop. Why? To make profit from coffee? No. To keep the customer in-store

longer, to encourage browsing, to make the customer feel positive about the store and in the end, to buy more books. They have recently added live music three mornings a week, which I believe may be taking the theory too far.

How does this apply to Rod? All his life he's been in the car repair business and has gone nowhere in any particular hurry. To change direction he now needs to identify the real, underlying business he is in, and in the process, start to see the opportunities for dramatic change and improvement. We start by asking questions. What am I doing? The hardware salesman may think he's selling a drill bit, but the customer is buying a hole. Rod may think he's repairing a car, but the customer is buying reliable transport. Rod is in the reliable transport business.

What does that mean? Well to me, reliable transport means I can use it without thinking about it. It's always there and it never causes me any anxiety. I don't have to worry about breaking down or expense, inconvenience or embarrassment. I own a car for prestige, convenience and reliability but I am also focussed on economy. My car makes a statement about me, my values and aspirations, and I am easily sold on the image it projects.

How does this help Rod? Understanding what business he is in helps him focus on where the real profit lies. He is no longer a grease monkey. He *is* a reliable transport facilitator and his focus starts to shift from the problem to the solution. His gaze lifts from under the bonnet to the customer. He starts to interact with the customer rather than the machinery, looking to provide reliable transport solutions for the person who will give him his first million this year: his customer. This is not just semantics. We are not dressing up a cabbage and calling it a cos lettuce. We are actually creating substantive change. Rod is no longer a mechanic. He is a reliable transport facilitator.

Now that he's in the reliable transport business, Rod can start to look at ways of helping his customer get what she wants and in the process, find ways to radically or gradually alter his business to tap into emerging trends that will let him use synergy and the momentum of gravitational change to make more money than he can spend in a lifetime. A bold proposal? No. Easy if you change your thinking. Rod has already identified the first step. He now needs to look at what he does and undergo radical surgery to chop off the unproductive and stimulate the productive activities.

This can be a gradual process of refinement or improvement, but if he wants to make serious money in a hurry, he may need to take a radical broad-axe approach. Do not be afraid to take major risks. Put all your eggs in the one basket and watch the basket. And if you're wrong, change sooner rather than later. If Rod wants to move up a notch he needs to take a risk and make radical changes. His business provides him with a wage and

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employs a couple of apprentices plus a part-time clerical assistant. He can take the kaizen approach of gradual, incremental improvement to lift his bottom line, and in the absence of any obvious new growth path, this is usually the best solution. But in Rod's case, he has identified a possible new growth path.

LPG conversions are a small part of his business. But they show potential. In Victoria, 25% of cars run on gas due to its wide availability and low price. In NSW only 4% of cars are gas converted, partly due to the 50% higher price both for gas and the conversion. This differential, however, is a function of supply and demand and may disappear if the demand increases. He sees an emerging opportunity, a window that will close if he doesn't grab it. He has a ground floor opportunity to specialize in gas conversions and establish an unassailable reputation as the gas conversion specialist on the Central Coast.

He decides to give it a go and applies SWOT analysis. Strengths include his long reputation for good service, his staff, part-ownership of the building and the ability to offer half-price motoring for customers. Weaknesses include poor location, a partner in the building, its dilapidation, high initial cost of conversion kits for the customer, and lack of capital. Opportunities include sales to fleet customers, lack of competition, ecological awareness. Threats include rising gas prices or a major competitor capturing the lion's share of the market.

Rod has a real opportunity to alter and expand his business. His present premises are fine for his present business but they are too small to work on more than two cars at a time and the location is poor. It will limit his growth. The building is 25 years old and looks it. There is no concrete hardpan. Weeds decorate the borders and drive. He has the choice of spending \$100,000 tarting up the place or moving to purpose-built premises. Fortunately his tire-retailing partner wants to expand into the front part and while the price he offers for the freehold seems paltry, Rod is focused on his real business, which is not real estate ownership, and opts to rent a purpose-built facility in a new estate adjoining the freeway, using the sale money to fit-out and start advertising.

It is all too easy to become sentimental about the past and fearful of change. You can easily go broke making big changes. The more you have behind you, the more you have to lose. Trouble is, you can go broke making no changes. For the three years preceding my going broke for the third time, I watched powerless as my assets dwindled to nothing, unable and unwilling to take the hard decision to cut and run. I had a partner to consider and we both waited patiently for things to improve. Life is short. Going broke is not terminal unless you think it is. Often it's a necessary experience to give you the case-hardening needed to do things better next time.

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Rod decides to take the risk, approaching a property developer who builds him a \$400,000 factory which is onsold to a Sydney investor at 10.5% pa yield on 7 year lease. This commits Rod to a \$900 a week outlay but the new premises offer far higher visibility and traffic flows, and are not so far from his old premises that he'll lose any existing customers. The advantage of the freeway position is he can now draw his customers from two major population centres, Newcastle and the Central Coast.

To re-establish his business as a specialist LPG installer rather than a generalist mechanic, Rod now needs to focus on his USP, his Unique Selling Proposition. He is a specialist LPG installer. He can do it in 24 hours. He has a specialised team of expert mechanics. LPG will pay for itself in less than a year. It's good for the environment. And so on. These are all good things but they are not unique to him. He has to find a unique proposition he can put to his customers.

It doesn't have to be spectacular. It can be simply better service. It can be a smiling voice on the end of the phone. I'd just bought my wife a beautiful old iridescent blue Mercedes 450SEL from the wreckers for \$4000 and was in the process of respraying and doing it up. I rang around to get gas installed and contacted four places before I got onto Rod. The first place was recommended to me by Trevor, the retailer I'd bought the car from. Trevor had told me they'd look after me and would sell it to me wholesale at \$1600. The first time I rang they were engaged. The second time they said: "Look, sorry mate, we don't do anything over 5 years old." The second place was recommended to me by my rev-head son Bryson as the only place in Newcastle to go to: "Ah, no sorry mate. We wouldn't be interested. We're flat strap at the moment." The third place I plucked out of the Yellow Pages: "Ah, no. Sorry mate. We don't do gas anymore. There's no money in it." The fourth place also from the Yellow Pages rang out and didn't answer. I was starting to feel that I'd bought a lemon. The fifth place was Rod's: "Yes. No problems George. We can do it for you for between \$1500 and \$1700 depending on whether its carburetted or injected. When do you want it done?" A refreshing breath of fresh air. Hallelujah.

Good service goes a long way. When your competition is lousy, just ordinary good service stands out and turns you into a winner. But let's look a little harder and see if we can find a phenomenal USP for Rod. Get back into customer mode again. What turns you off car service people? Uncertain cost, always more than you expect. Dirty premises. Nowhere to wait. Your own lack of expertise leaving you at their mercy. Not knowing who's in charge. No name tags on the staff. Everyone calling you mate. Pornographic calendars. Not knowing when the car will be ready to pick up. Feeling like an intruder. These are my personal turnoffs. What turns me on? Having a known contact person who treats me like a friend and walks me through everything, telling me how much it will cost, depending on what they find, and when it will be ready. Having somewhere clean to wait if it's a while-you-wait operation such as tires, with a coffee machine, tv or papers. And you know what would really turn me on? Personal pickup and delivery.

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I would drive past a dozen ordinary car service places to go to a place that wanted my business enough to call me by my name, had name tags on staff, spoke to me politely, answered the phone on the third ring, had clean premises, followed through on promises and kept me up to date on the progress of the car rather than my having to chase them. And if they drove me back to my office and came to pick me up in the car when it was finished I would think I was in heaven. We are all in sales. Whether we are gardeners, mechanics, teachers, or business people, we all sell. Our appearance, demeanor, customer interaction, all contribute to the selling process and we need to train our staff to become customer focused.

The customer makes the difference between failure and outrageous success. We need to understand what our customers want. This is the business we're in, finding out what our customers *really* want, and providing it for them. We need to understand that the goods or services we provide are *incidental*. They're what we're good at but they are not what the customer wants. They are simply the *means* we use to give the customer what he *really* wants. What do customers want? To be recognised. To have someone care enough about them to use their name. And to be treated like a friend of the family who has come in for special treatment. Sure, they want solutions to their problems, and that's what we're in business to do. But if we look after her as if she were a rich aunt who might leave us a million next year, you get the idea of how she needs to be treated.

This requires a change of mindset in our staff. We need to encourage them to place the emphasis on looking after customers as if they were rich, ailing aunts, because, in essence, they are. The sum total of delighted customers will make each of your staff wealthy. Share part of your profit with your staff and you have all the incentive they need to become committed to excellent service. Technical expertise is good as far as it goes. Performing to specifications is fine and is all part of good customer service. But we want *great* customer service. The difference between ordinary service, which produces ordinary results, and extraordinary service, which produces wildly, outrageously, extravagant results is training. We may not be able to fashion a silk purse from a sow's ear but we can train our staff, however bovine they may start out, to treat customers as special.

Train your staff thoroughly and give those who perform 10% to 15% of your profits on top of award wages, but don't give it to everyone just yet. Insist that to participate in the profit share, each of your staff meet performance criteria based on training and customer service excellence. You will need to properly document performance criteria. You'll need to spell out what you expect from them, not just in skills and work performance, but in *attitude* to customers. They may adopt a bovine, unionist approach, refusing to adapt to what they may perceive as a lah-de-dah, poncy approach. Remind them that the customer pays their pay check, not you. This is real stuff. If they can't change, get rid of them.

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If you're making a motza out of their efforts, reward them. Send them to customer service training seminars. Praise them when they look after customers well. Remember, anyone can do the job well. You're paying them to do the job *brilliantly*. Encourage your customers to nominate staff for excellent service awards. Mail each customer a 'Customer Satisfaction Survey' and ask for suggestions as to how you can improve your service. Just this one thing will radically improve your sales. Three days after taking the dog to the vet we receive a follow-up call asking after her health. It might be just marketing but we won't go anywhere else. Remind your staff that you're paying them a profit share over award wages as a reward for good customer service. Anyone who won't or can't go the extra mile, pay award wages till you can either turn them around or get rid of them. They'll soon get the idea when their mates are earning 3 times their wages.

How will Rod go? It's early days yet. Now that he has his new premises he's starting to expand into fleet sales, particularly to local authorities. He has a great product, well priced, that's good for the pocket and the environment and he's developed an information pack that draws the customer through the purchasing decision in a gentle selling process. He has become entrepreneurial through doing Dale Carnegie courses and reading books like this. He never stands still. He is always looking at improving his service, looking at it with customers' eyes. He has employed a factory and office manager so he can focus on customer and staff liaison as well as new customer acquisition. He now has a staff of 8 and converts between 8 and 12 cars a day. His volume buying has allowed him to offer the most competitive after-market pricing and he is now getting inquiries from the Sydney market. His next step is larger scale pre-market fitting for institutions such as banks and government departments now that he has established some strategic contacts. He is also working on larger deals with fleet leasing companies and has established good personal contacts with the biggest of these.

If he continues in this fashion he will open another outlet in Sydney within the year and inside ten years he will have a chain of franchised operations similar to Bob Jane's Tire Marts. It is possible. All it takes is vision.

Summary

- Focus on the business you are really in
- Look for a growth opportunity
- Treat your customer like a friend of the family
- Share your profits with your staff

Chapter 21 - How Do I Keep Expanding?

By now the entrepreneurial spirit will be well-developed and burning strongly in you and you'll be reveling in this new life of wealth and comfort and ease. And you'll be thinking expansion. But don't forget where you've come from. You can be a rooster one day, and a feather duster the next. If you forget the early lessons of childhood you could pay a heavy price. The ant and the grasshopper. Pride comes before a fall. Hold hands walking across the street and be nice to your mother. These all have value regardless of your bank balance but they are crucially important here.

But I'm getting ahead of myself. Expansion. Every business has a life cycle, or to be more accurate, its products have a life cycle. Pretty much a bell curve for each product. Slow start, solid middle, slow decline. If you're a one product company your fortunes will trace the curve of that product. The trick to growing your company is to tack bell curves sequentially on to each other. Once a product or service has peaked add another and another. Add more outlets and more customers to boost your volumes. When you start running out of products or you start getting diminishing returns for your efforts start culling the bottom 30%. Products, customers, staff. To fine tune your business you'll need to constantly cull the bottom 30%. Be ruthless about it. Your company's future is at stake.

Keep doing what you're doing right and cease doing what you're doing wrong. Advertise heavily and track your response. Don't fall into apathy about this. Just because you know everything about your company's goods and services doesn't mean the public do. The chairman of Coca-Cola was once asked why he persisted with advertising when Coke was clearly the market leader.

"Well", said the boss "We're on this train heading for Atlanta. And we're holding a cruising speed of 80 miles an hour. What do you suppose would happen if we disconnected the engine?" Advertising is the engine that drives your business. Feed that engine.

I read an interesting survey supporting this in Time magazine in 1992 which tracked the top 20 products sold through Coles supermarkets as recorded on their barcode readouts. They ran:

1. 375 ml can Coke,

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2. 2l bottle Coke,
3. 1.25l bottle Coke,
4. 375ml Diet Coke,
5. Mars Bar,
6. Crunchie Bar,
7. Tally-Ho cigarette papers (because of dope),
8. Nestles Sweetened Condensed Milk (in the handy squeeze-in-your-mouth tube.)

It wasn't till you hit 12th place that you came across a food item. Advertising works, but self-indulgence works better. Never overestimate the caliber of the general public. Many millionaires have been made, catering to the taste of the feckless majority. You can picture it. The tobacco company exec: "Smoke? Don't touch them myself. Filthy habit. Somebody's gotta make them." as he rides home in his chauffeur-driven Benz.

One of Joe's friends told me his story. I remember Joe's store and advertising campaign. He was in financial difficulty and approached a friend with money for a bailout. He ran a tiny electrical goods store in the inner suburbs and his friend, looking over the books of his ailing business said: "Sure I'll help you out. But you must promise me one thing."

"Sure. What?"

"I will inject all the money you need to get the company firing again but I want you to promise to take ten percent of your turnover and put it back into advertising."

In those days this was unheard of. The rule of thumb was 2% to 4%. Ten percent was insanity.

"But I'll have to increase my prices by 6% to cover it. The public will never wear it."

"They will believe what you tell them."

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And he took the money and started advertising. Before long he was taking out full-page spreads in the city newspaper. And he had to extend his trading hours to cope. And as sales rose he was obliged to take 10% and do even more advertising. And customers started queuing up outside his little suburban shop. And it was impossible to get in. The crowd inside was hot and jammed together as people fell over themselves to pay top dollar for his electrical goods. And he had to open his shop till midnight seven days. And still the customers and profits poured in, overtones of the Sorcerer's Apprentice, and he went to his friend and said: "This is crazy! We're working a hundred hours a week. We can't cope. Can't we slow down the advertising?"

"No." said his friend, "Keep going." And to soak up the ten percent they started doing television ads and pretty soon the shop was open 24 hours seven days selling high-priced off-brand goods, barreling along with customers anxious to get in before the price rise. Joe went to his friend again. "We've got to do something! The shop is bursting at the seams. Customers can't get in. They're walking away without buying anything. We need to move to bigger premises."

"No. You move to bigger premises and I'm out." So Joe bought his partner out, moved to bigger premises, relaxed, stopped spending ten percent of his turnover on advertising and went broke.

What's the lesson? Live a little on the edge. Keep out of the comfort zone. Push yourself and your staff. And push your customers if it comes to that, Joe's customers figured if this place is so busy they must be selling some real bargains and they hung in there. Remember the diving board principle. The diving board is either full or empty. Nothing in between. Create that buzz, that competition for your services. The Chinese are great at this. Go out to Yum Cha on a Sunday morning, if the place is empty they'll push the screens close to the door, turn up the music and sit their children down at the table so when you look through the window the place appears full. Pretty soon it is.

Summary

- Cut off the bottom 30% of products, customers and staff
- Continue to advertise heavily
- Create a feeding frenzy

Chapter 22 - How Do I Keep What I've Got?

You can easily at this point think you're infallible and you have a mortgage on your continued sales and profitability and you'll be tempted to lash out and spend. New house, car, extension, more staff, higher pay. Remember the grasshopper. He reveled all summer while the ant stored up grain for the winter and come the winter he died. It's not how much you earn that counts. It's how much you save.

On my daughter's twenty-second birthday I asked her how much she had in the bank.

"\$7.23"

"Why don't you save your money?"

"Come on Dad. I earn \$220 a week and pay \$75 rent. How can I save?"

"The only way you will ever be able to save", I told her, "is if you earn less."

"You mean more?" she queried.

"No. If you earned more you'd spend more. There's no way you'll ever start saving until you earn less."

She screwed up her face and in exasperation did a Pauline Hanson: "Please explain!"

"Well, it doesn't matter how much you earn. It's how much you save that counts. Let's say your wages rose to \$250 a week. That would be great. Cause to go out and celebrate."

"You bet I would!"

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"And you'd just spend the extra money. And every week, in spite of your best intentions, you'd find some reason why you needed to spend the extra and at the end of the year you'd be no better off."

"I'm with you so far, but how can earning less help?"

"Okay. You're earning and spending \$220 a week take-home."

"Right so far."

"Could you survive on \$198 a week?"

"If I had to."

"Okay. You're no longer earning \$220 a week. You're earning \$198 a week. Your future has taxed you ten percent. Your take-home has been reduced by \$22 a week because you've just been slugged with a 10% future tax."

"You mean I take \$22 and give it to my future?"

"Yes. You want to have a good future so you have to tax your earnings today and tithe it to your future."

"Tithe?"

"Sure. It means no matter what you earn you pay yourself 10% of it first and put it away for your future. I tell you what, here's \$200 for your birthday. Put the tithing thing into action, save \$22 a week and come to me when you're 23. Whatever you've saved I'll match."

Catherine came to me on her 23rd birthday. "Dad, I've saved \$1500."

"Great. What are you going to do with the \$3000?"

"Have a holiday in Bali."

"Good. Look, I tell you what, I'll give you a choice. Either I give you \$1500 now or we'll keep it going till your next birthday and I'll match that."

"Yeah, Okay."

On her 24th birthday Catherine said: "Dad I've saved \$5000."

"That's great Catherine. I'm broke."

"That's okay Dad. I've got the hang of it now." A year later Catherine bought her first house with a \$10,000 deposit. Her repayments are less than rent and she's on her way.

It's not what you earn it's what you save. Read Clason's "Richest Man in Babylon" or Kiyosaki's "If You Want to be Rich and Happy Don't Go to School". Money is made flat to stack. Keep some of it for your future. If you're a spendthrift then spend it on assets you can sell when you need to. And I don't mean hi-fi's and big screen televisions. Sock it away into small parcels of income-producing real estate. Your business won't always be there. Businesses are like products. They have a lifecycle and a finite use-by date. Remember that, when you're next cruising the boulevards in your Ferrari, dreaming your master of the universe dreams and make a decision to squirrel ten percent away into the odd hollow log. And don't use it to fund expansion. Let your business fund its own expansion. You're funding your future. No-one else is going to do it. It's up to you.

You will be tempted to take on partners. You will be tempted to expand overseas. You will be tempted to expand into new business ventures you don't understand. You will be offered fantastic opportunities that just require a little capital. You will be tempted to consolidate everything you own into one big venture. Tread carefully. I have done most of the above. Some worked. Some didn't. They are opportunities, but they are also potential threats to the money-making machine you've created.

Remember that nothing lasts forever, not even your business. In order to grow you'll need to both protect the cash cow and look for new opportunities. The greater the reward, the greater the risk and to manage that risk you'll need to do the numbers. The more you get, the more you have to lose which means you'll need to take greater care and adopt a far less cavalier approach than you've been used to in your entrepreneurial approach so far.

In the early nineties my business partner approached me with a 10B(a) film investment which looked fantastic. We were due to get a huge tax bill as usual and at the time there were a number of promoters hawking tax minimization schemes through the Australian Film Commission. The essence of the deal was that you could borrow \$330,000 against a film to be produced, invest the cash into the film, get a 120% tax deduction now, repay the loan over 7 years at 10% interest on the borrowings to be matched by a guaranteed 120% of your money back in the future. The carrot was the 120% tax deduction now. On paper it looked fantastic. But I was a little concerned about timing. For instance, we had to borrow the money on June 30 and start repaying immediately. We didn't have to pay our tax till at least October. Income from the film didn't come in for 3 years. So in spite of our effusive enthusiasm for the scheme at first sight I sat down with Lyndon at my kitchen table and said: "Look, just to satisfy me. Let's do the numbers."

We mapped it side by side. Film Scheme versus Pay Your Tax. Month by month for seven years. For the first two years the Film Scheme came out on top, but at the end of seven years we would be far better off just paying the tax. When we factored in opportunity costs we realized that we would be \$700,000 better off not running with the film. Run the numbers. They may surprise you. It can be a real temptation, particularly given what I've told you previously about nurturing your instincts, to regard your judgement as infallible. After all, you've got this far. Surely no-one would dare to question the great and mighty master of the universe. Question your judgement. You've now got a lot more to lose. Run the numbers. Remember the Time survey. You assumed that people went into Coles supermarkets to buy food. Don't trust your assumptions. Run the numbers. The numbers will reveal strange, hideous and unpalatable truths if you will only let them.

Take the time in your business to question your assumptions. Look honestly at the trends. When the ship starts to sink, don't pray, jump. Change tack. If you're going the wrong way change course sooner rather than later. Use SWOT analysis to give you the numbers on whether you're going in the right direction and which new direction to take. Take inventory of yourself. Analyse Strengths, Weaknesses, Opportunities and Threats. One of our greatest threats in business is habit. We can fail to see creeping trends if we're immersed in our comfort zone. Remember the Boiling Frog Principle. If you throw a frog into boiling water it jumps out, but if you put a frog in cool water and slowly bring it to the boil it sits there till it dies, thinking: "It's not too bad. Not much worse than a minute ago." Don't just sit there. Jump.

Take risks but remember Adrian the squirrel. Get in and get out with minimal exposure. Keep total personal control. Wake up a little bit richer every day. Just a little bit. Take risks, certainly, but *keep control*. Don't take any risk where you're not in control of your money. And look at the possibilities for *losing control*. Let me tell you a cautionary story:

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Richard is a business colleague and friend who makes a living from the share market. He had a few million in highly leveraged speculative stocks and was doubling his net worth every 18 months or so. Coming up to the crash of 87 he was readying to flee to cash when his wife decided to divorce him. Now, this is a painful thing to have happen, I speak from personal experience, but under normal circumstances it should not have caused serious damage to his business. But it did. She took out a caveat restraining him from disposing of any of his assets till a property settlement could be effected. And the October crash wiped him (and her) out. It took Richard 3 more years to get back on his feet and make his next million.

Focus on fine tuning your by now mature business to squeak the last bit of profit out of it and squirrel ten percent away. Year after year. Ten percent. By all means take risks. That's the only way you'll get ahead. But gamble with the ninety percent and hang onto the ten. That way, even if the ground opens up and swallows all your business empire, or your business just declines gracefully of old age, you will have kept the cream.

Summary

- Expand carefully but advertise heavily
- Run the numbers
- Question your assumptions
- Abandon failures early and use SWOT analysis to find new pathways
- Remember to hang onto 10% and invest in real estate

Chapter 23 - How Do I Get Filthy Rich?

It may not be enough for you to get the house on the hill with servants, the two hundred and fifty acre country estate, the limousines, the helicopter. You may well be looking to go the full monty. Let me show you how. Life, after all, is short.

Most business owners reach the point where their businesses are mature and the growth curve starts to slow down. They reason that you can't expect the company to continue to grow by 40 to 100% every year and they content themselves with single-digit growth or just not going backward. After fine-tuning the business they get it performing at maximum efficiency and they stay at the wheel. Year after year. If you've now reached this point you need to take stock again and make the next quantum leap.

Life is like a blank sheet of paper. There is an infinite number of choices we can make, but only a limited number of best choice possibilities. What are your best choices? With a strong income stream coming in you could buy shares or real estate, and this would be an eminently praiseworthy choice, but you're already allocating 10% of your income to safe investments. Safe choices are not going to double your net worth each year unless we're going to see a Telstra or Commonwealth Bank float each year. Passive investments in the share market or real estate will give you a 5% to 15% return. Even highly speculative investment in the share market will rarely better 40% return. The only way you'll double your net worth in the share market is by taking big risks.

There is a better way. Passive investment is speculation on future capital gain and this is to a large extent manipulated by forces outside your control. To make real, risk-free capital gains now, regardless of bull or bear markets, you'll need to take control of your market. Why be a victim? You've taken control of the market in your business. Take control in your investments. Think. Look at the environment in which you live. Is there a need? Can you employ the power of synergy to create something significant out of something which is undervalued? Resist the temptation to think small. Life is short. If you engage in passive speculation you play someone else's game. If you take charge and engage in development you're playing your own game and will reap serious rewards.

Your business is your cash cow. Once it reaches its peak and any further investments in time or energy produce diminishing returns, it's time to look at expanding outside of the business. At this point many business people look at acquiring their competitors or suppliers, and while this is potentially synergistic, it can also have the effect of tying you to less profitable offshoots as well as tying you deeper into that industry, and therefore

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locking you into a higher level of exposure to any downturn in that industry. There may be compelling reasons of synergy or business expertise that warrant you taking that course, but in general, it's better to play safe. When Pauline and I got together she owned a half share in a physiotherapy practice. When the opportunity arose for us to acquire the freehold in the building she occupied, one of the criteria that tipped us into doing it was the fact that the building was a duplex and the other tenant was a physician. This halved the risk.

The exercise of acquiring her premises is a good lesson in wealth creation. We purchased jointly with her partner, putting a \$40,000 deposit down, borrowing about \$140,000. The rent paid everything from that point, all outgoings, interest and principal repayments and at the end of the 9 years we sold our half back to the other partner for \$145,000. In other words, we turned \$20,000 into \$145,000 in nine years. At present, in 1999 investment loans cost 7%, commercial rents return 11% and capital gains yield 5%+. In other words, if you borrow money at 7% you can invest it in bricks and mortar security to return 16%+.

Why would you not do it? The answer is risk. There is the risk of having no tenants. There is the risk of the tenant falling over. There is the risk of a recession. There is the risk that hidden costs of ownership will eat into your return. The answer is to take control. You can control risks in your investments just as you have controlled risks in your business to date. Look creatively at what is happening and try to align your investments to take advantage of trends. I live in the Hunter Valley on the rapidly-growing east coast of Australia, so I can quote what's happening here. The F3 freeway from Sydney to Brisbane has been a multi-billion dollar gift to property developers, in just the same way as the railways were in the US last century, though in that case the railway owners also owned the land. All along the track of the F3 I see new developments, residential, industrial and commercial development at Tuggerah, Ourimbah, Morisset, Minmi and Thornton. Why? Because the new freeway makes Sydney's far north more accessible than Sydney's near west.

Develop cheap land alongside new, high-speed access routes, cheap new buildings, purpose-designed with rents less than half comparable in the congested west or central coast and you have a very high level of control. Just yesterday, for example, I was offered a substantial investment in a new industrial estate with a Fortune 500 tenant on a new ten year lease yielding 10.5% nett. Why wouldn't I take it? It's money for jam. Twenty-five percent deposit, borrowings at 7% and falling, rents at 10.5% net of all outgoings and rising, and the prospect of reasonable capital gain. New building. No repairs or maintenance.

Yes, there are still risks. War, depression, market crash, massive dollar devaluation. Certainly. But there is no such thing as a risk-free investment, be it money in the bank, in

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shares, in real estate or buried in a tin in the backyard. Nobody knows what will happen. We may suffer inflation again as we did in the 70's or we may see the deflation of the 30's. The key to survival is cash and cash-flow. If all you have is cash in the bank, then you'll go out backwards. You need both cash (in the form of bank funds or at-call securities) and income-producing assets, which hopefully enjoy some capital appreciation. Our safest position is to spread our investments across real estate, shares, cash management funds and higher-risk ventures, which we actively manage. The point is, you can't do nothing. You have to do something with your money. The only absolute security is six feet below ground level.

Take charge of your investments and avoid salesmen. Many financial advisers gather at the waterhole of tax and superannuation, luring you into deals that lack any business merit, focusing on short term tax advantages or long term benefits. Look closely and you will see behind the fancy spreadsheets a maze of up-front fees that only benefit the salesman. That's why he's doing it, not to benefit you. Caveat emptor. Do your own research.

Understand too, the cyclical nature of the market. As interest rates start to fall, people move money to the share market which starts to rise. Real estate becomes attractive with low interest rates and prices start to rise. Demand for money grows and to curb this rates start to rise. The share market peaks and profit takers move their money from the share market into real estate. Real estate starts to peak as interest rates continue rising and people move out of real estate into cash. Excess cash causes interest rates to fall and repeat the whole cycle again. I have seen this cycle repeat itself each decade and each time it happens people are surprised.

After the market crash of 87 real estate in Australia boomed through till 89 when rising interest rates caused the recession of 91. Today we see a rising share market which may well suffer a downturn shortly, accompanied by a strongly-growing real-estate mood. Interest rates are at a 30 year low. If we understand these broad trends we can make better investment decisions.

There is always change happening. New expressways, expanding population, new technologies, declining areas, all open up opportunities for strategic investment. Look and question. Just this week, for example, in the Sunday paper was a full-page, \$10,000 ad for a vast sheep station west of Nyngan. Why? Clearly the advertiser was seeking to tap into casual Sydney money. For \$450,000, the price of a modest bungalow in Sydney, you could own a vast kingdom in western NSW complete with private airstrip, lagoon, 100 square homestead, 100 year-old garden etc. I see these ads on a smaller scale each week in the weekend papers. Somebody seeing something that others can't. A rocky waterfront headland with almost no level land becomes The Anchorage, a five star resort built over the water. To make real money you'll need to polish up your instinct for

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envisioning the possible. Raw scrubby land on the outskirts of the city purchased for \$50,000 a hectare becomes a rural subdivision selling for \$195,000 a hectare. Billy-goat country purchased for \$200 a hectare becomes a \$200 a night resort with unrestricted views, 2 hours drive from Sydney. A financially strapped company can be acquired outright by relieving the owners of the threat from its creditors and with a small injection of cash, or divestment of its component parts, can be resurrected to earn millions of dollars.

These opportunities are everywhere you look. Real money is made in *developing* an asset rather than *speculating*. A business associate recently purchased an old house on a large block for \$92,000. While living in the house, he subdivided a block, sold it for \$40,000 and applied some of the profits to renovating the house which he later sold for \$145,000. His net profit was around \$50,000, but considering he'd started out with a deposit of only \$20,000, his real net profit was 150% and he had the benefit of living 12 months rent free. Just yesterday I was offered a waterfront reserve house on a half acre block for \$220,000. The back block was subdividable with a value of \$95,000. For an outlay of \$40,000 deposit and \$8,000 in development costs I could make \$80,000 profit in 12 months. Why not?

You *can* make money buying property with lowball offers, rather than developing, but I'm uncomfortable with it. An old school friend has the policy of offering 70% to 80% of market value to people selling property. He goes to the children squabbling over deceased estates, or partners squabbling over divorce settlements and waves a thick bundle of hundred dollar bills under their noses. Here's the money. Here's the contract. Take it or leave it. Like Don Juan's prospective conquests, 99 out of 100 will say no, but if you ask enough people you can make a lot of money. Another friend adopts a less aggressive pose, submitting lowball offers in writing on selected properties and he has picked up some serious bargains in recent years. I'm not overly fussed myself on lowball offers. It has something of the taint of the vulture and in small beer terms reminds me of people who arrive at 6 am at neighborhood garage sales, bullying the owner into submission. More importantly it starts to run contrary to the Principles of Abundance and will inevitably come back and bite you. Steer clear of it.

It can be a fine line. There is no black and white when you're trading in the misfortunes of others. Axel, a large property developer, to whom we sold our half of the industrial estate, recently purchased from the receiver, a company which tenanted one of his buildings, for a dollar. He rebuilt the company, re-employing the same staff as well as the previous owner and 18 months later sold it to the US parent company for \$2.7 million. It wasn't simple opportunistic exploitation. He saw an opportunity to develop an undervalued asset and took it.

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The balance point is intent. If your intention is to enrich yourself at the expense of others you're on the wrong side, but if you advantage yourself through the failures of others you skip across to the right side of the fulcrum point. Just. If you're in any doubt I recommend you err on the side of generosity and your generosity will come back to reward you. You won't have any moral dilemmas then.

Often, however, we will allow innocent inactivity to mask opportunistic positioning and intent, allowing good fortune to fall in our lap, through the foreseeable and preventable misfortune of others. We often see this, too, in merchant bankers who wait patiently until the very last moment offering a small amount of cash to bring a project to fruition, demanding exorbitant equity share in the new project, knowing the victim by then has no option. This puts me in mind of the shameful opportunism of the civilians who bought the property of the Jews during the holocaust, or the man who dressed in women's clothing to avoid detection on the Titanic's lifeboat. Technically legal but morally indefensible. We get what we give away so we need to be sure our motives as well as our visible actions are above reproach. Just because everyone else is doing it, or we can hide behind 'standard operating procedure', is no reason for us to run contrary to conscience. The terminator has an excellent memory.

Buy quality in real estate. Ask yourself: "Would I like to live here?" Is it a good location? Waterfront, views, close to the city, pleasant neighborhood. These are all powerful factors. In the last decade rural hobby farms and houses in the outer suburbs have stagnated while waterfrontages to Lake Macquarie have doubled in price. Inner-city terraces, new and renovated city apartments, ocean views and houses under 5k to the city have increased up to five-fold. Buy quality but use your head. Buy undervalued property or property in an area that is undergoing a renaissance of popularity such as inner-city ex-slum or ex-industrial property. Many millionaires of the 80's and early 90's are now waiting on tables as a result of buying premium properties at the top of the market. Bet with your head, not your heart. Buy cheaper property with the potential to develop, not fully-developed property with the risk of losing money.

Real estate is not as hard as it looks. The seeming complexity of subdivision and development puts many people off, but it's simply a case of getting in and doing it. We recently purchased a 4 Ha block for \$205,000 with the intention of subdividing it into four 1 Ha blocks at a development cost of \$150,000. One hectare blocks in the area now sell for \$195,000 each. By the time the block is developed (we sold it on for a profit as we couldn't afford to hold and develop it) the price per hectare will rise to \$225,000. Development has a cost attached to it, but not only does it enjoy huge rises in capital value as you increase the number of titles, but you also enjoy the added advantage of inflation as the property develops over time.

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Take your cash flow and put it into real estate development and most likely your income from real estate will come to exceed that from your core business. Recently we were in property acquisition mode and were presented with an 8 Ha block for industrial subdivision for \$330,000. Running the numbers on it we felt it was line ball. Five miles away, on the F3 freeway was a 45 Ha industrial block for \$720,000, a much bigger project, but the numbers stood up very well and we bit the bullet. Again, we sold out at a profit shortly after, but the remaining stakeholders will turn a maximum investment of \$500,000 into anywhere from two to ten million, depending on how long they stay in the project.

The advantage of property development is it's self-funding. You don't actually need much (or even any) money to get started. We purchased the 4 Ha on a borrowed deposit and vendor finance then turned around and onsold to a developer for a handsome profit. We did the same with a 30 Ha rural block, borrowed deposit, vendor finance, a bulldozer for a week to develop the land, then onsell for a significant profit.

One project we took to completion involved the purchase of two adjoining 1.6 Ha blocks for residential redevelopment for \$190,000 and \$220,000. The dearer block had a house on it which we subdivided and sold for \$145,000 so the total cost of the remaining 3Ha was \$275,000 which was borrowed from the bank against the security of the land. Getting development approval for a 24 block subdivision increased the value of the land and enabled us to borrow the \$430,000 needed to take the subdivision to completion. Sales off the plan of 9 of the best blocks meant the \$430,000 was repaid in the first fortnight! The sale of the next 4 blocks repaid the remainder of the borrowings and over the next 3 years we sold the rest of the less desirable blocks at the rate of 4 a year. Total cost \$705,000. Total income over 4 years: \$1,120,000. Profit \$415,000.

While this was a small, slow-moving project with a modest profit margin of around 36%, remember, at no time did we have any of our own money in the project. Everything was borrowed against the value of the project and our cash-flow in other ventures. If you have a separate cash-flow to underpin loan repayments while waiting for sales to come in, you can do it today. The trick is to find undervalued land, borrow up to 100% to acquire it, develop it, then sell or onsell at a worthwhile profit. As often as not all the development you need to do is envision the result and sell this vision to the next guy. This can be as simple as drawing up a development proposal or getting a DA approved through council, putting an \$800 a day bulldozer on the land to clean it up, or going the whole hog and putting in roads, power, sewer etc.

The key is to make a profit, and the sooner the better. Quite often you can make a profit on the same day. Stephen, a colleague and friend of my partner, recently spent many months in protracted negotiation in order to sell a timber concession in Noumea to a Malaysian syndicate who onsold it an hour later to a Japanese group for 6 times the price!

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It's not only what you know, it's who you know. If you want to make real money you'll need to cultivate your instincts, your global knowledge of the market, and your instincts for people. This will take years and will involve bumps and bruises but this experience will make the difference for you.

Always leave enough in the deal for the next person. Don't be greedy. Seek a balance. You get what you give away after all. It's okay to make a profit but keep on the right side of the line. Here's a cautionary tale, sadly all too true:

A community group had a parcel of land given to them by the Government. Along came a shark from amongst their own people:

"I will help you develop this land" said the shark.

"What experience do you have?" inquired the group's chairman.

"What does that matter? You and I can make a lot of money." said the shark. "We'll borrow as much as we can on the land and you give it to me. I will use the money to develop the land and take 75% plus my costs. And I'll buy you a new car. No two cars. And the group will prosper." Greed disguised as good works. Avoid it or you will carry the albatross of guilt always.

You can also make money from the share market. If you take the 200 wealthiest people in this country and look at how they made it, you'll find it was either through real estate or through share trading. Ten years ago Kerry Packer was Australia's first billionaire. Today, through intelligent share trading he's worth fifteen times that. We intuitively understand real estate. The share market is less tangible. Let me give you a simplistic and sanitized view of this real life war zone.

The purpose of a share market is to allow business owners to raise money from the general public by selling part of their business. Generally the owner sells off part of the business in a large number of small shares, and retains part-ownership of the company which he or a board of directors continues to manage, taking the inflow of cash from the float and using it to grow the business. The share market allows you and me to own part of a number of different companies and to share in their profits and their capital growth.

Most shares return minimal profits of around 2% to 6% p.a. though this is usually largely tax-free. The real profits are to be found in capital growth. The fluctuations in price of a

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particular share are created by complex variables such as mob psychology, marketing push, takeover rumors, company earnings, write-offs and so on. The underlying factors are greed and fear. Greed pushes up the price. Fear induces the flight to cash and profit-taking.

To make money you simply need to out-think the game. Understand the underlying principles of the share market and you are positioned to make money. Plan long term. Ignore the fears of the mob. Think for yourself. Understand that the share market reflects the commercial health of the country. Long term it rises and outpaces most other investments including real estate. Shares are more liquid than property and you can sell them in small parcels. Examine each company carefully. Look at its management, its USP, its prospects in the light of current trends. Seek advice from successful traders and develop your own judgement. Look for companies which are undervalued but, in your judgement, will experience improving sales and market conditions.

At present, for example, we see a great rush to the telecommunications industry. All the big players are represented, Telstra, Optus, AAPT. A year after floating, Telstra shares had doubled in value, and they continue to rise. Optus has completed its investment phase in cable laying and should soon start to pay dividends. Key smaller players such as One.Tel have attracted take-over interest from Packer and Murdoch. Vodaphone look set to float this year. A definite must-have. We stand at the edge of a telecommunications explosion. We can join the rush or we can look for strategic investments in presently undervalued companies that service the big players or companies with emerging technologies such as satellite phones.

The key is knowledge. Develop it yourself and avoid the urgers and spruikers operating from self-interest. The world's most successful share market trader, Warren Buffett, simply reads as much as he can about a company from newspapers, magazines and company reports, makes a decision based on his *own* opinion, buys and *holds*. A good company is good for a long time. If you've made a sound investment decision, allow time and synergy to compound its value. Choose a company with good management and they will work for you.

Understand also, that the market is cyclical but its overall trend is up. We are heading for a market correction with Wall Street trading on an average 28 times P/E and uncertainty over the Y2K effect, so keep your head. Play long term. Don't be swept along with the mob. Use them. Understand mob psychology. The majority of trades are less than 24 hours old. Short term there are no rules. Short term you're in there taking a profit, selling too soon, essentially gambling. Playing the market short term it's easy to make money but hard to keep it. Short term players start every third sentence with "If only . . ."

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You can make a living out of daily share trading but it will become a full-time business and will take over your life. The most successful traders adopt the Buffett approach, putting in all the worry and effort *before* buying and allowing their judgement to ride the full course.

Summary

- Take control of your investments
- Engage in development rather than speculation
- Look for emerging trends
- Seek out undervalued assets

Chapter 24 - How Do I Go Beyond Filthy Rich to Get Real Wealth?

"Well if that's all there is my friend let's keep on dancing, let's break out the booze, let's have a ball, if that's all there is."

You don't let up on me, do you? Okay, okay. You're not satisfied with getting to be filthy rich. You want to get REAL WEALTH. Okay. I'll tell you. But I have to warn you: What I'm about to tell you will radically change your life. For the better.

If you've followed me this far you may have inferred from my breathless enthusiasm that money is it. It isn't. Money is simply the fuel for the journey. Our real destination is wealth, happiness and contentment. Most people confuse money with wealth. Most people, to their loss, only understand money. When you start to understand wealth you begin to unleash the power of synergy and love that will allow you to acquire as a byproduct, more money than you will ever be able to spend in a lifetime. But by then it won't be important to you.

What is wealth? Money is the ability to spend but wealth is the ability to *create*. Money makes us consumers. Wealth makes us producers. Money gives us pleasure. Wealth gives us satisfaction. There is a world of difference here between money and wealth. You can have one without the other. You can have vast amounts of money and no wealth and you can have great wealth and no money. I know. I've had both.

One of the things we create when we start to employ our wealth, is money. Wealth can range from income producing assets to income producing attitudes. Wealth includes knowledge, real estate, contacts, shares, career, experience, optimism, risk-taking opportunism, contentment, health. It's far more than money. Wealth, in fact, may not even include money. There are many people whose estates from time to time have been bankrupt or nearly so who have enormous wealth in terms of their ability to bounce back and achieve personal assets in the millions, tens, even hundreds of millions inside a few years.

How is that possible? How is it possible for a person with negligible cash assets to start from zero and achieve assets in the millions in two, three, five years? And if it is truly possible, how can I do it? Let me tell you, it is possible. It's all in your *attitude*, and my purpose in writing this book is to help you acquire the attitudes that will make wealth fall into your lap. As Will Rogers said: "Most folks are too busy making a living to get

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wealthy." I hope what I am showing you in this book will teach you how to make greater wealth *and* more money than you can spend in a lifetime, even when you have none to start with.

Wealth is how you perceive yourself and your world. It's your central vision, your purpose, that which drives you at your central core. Get the core right and wealth will flow automatically. Like the high-jumper who reached his limit and couldn't get any higher, we need to take the coach's advice: "Get the heart right. Throw your heart over the bar and your body will follow." There's a secret here. I'm giving you the Sunday papers on Saturday morning. I am telling you the winning Lotto numbers before they're drawn. Tune in and listen to this secret and you'll win Lotto every other draw. And you won't even have to buy a ticket.

Wealth is simply the Principles of Abundance put into practice. The more we apply the principles, the smoother our life runs. We get what we give, and so, as we give, we achieve greater and greater success. What do we do with it? We create more opportunities to give. We build. We create resources for our community. We create jobs. We build housing and factories and land subdivisions and retirement homes and shops and holiday resorts and power stations and transport facilities. The enormous taxes we pay, we pay willingly, to build roads and schools and hospitals and airports. Why? For ourselves? So we can stuff our face with more cream cakes? So we can make money to show off and brag to others about our vast possessions and put them down? No. To be of value to others. We create wealth for others, out of love. We've been given great wealth but we have to use it wisely or we'll lose it. You only get to keep what you willingly give away.

Over the years I've had some contact with people from indigenous communities in Australia and Canada. The pendulum of colonialism has in recent years swung in their favour and the government has, as a salve to our collective conscience, legislated to compensate for past wrongs by opening their check books and giving them money. In Australia we have given our indigenous communities sit-down money and, now, significant parcels of land and money. But we haven't helped them to turn that money into wealth, and without good stewardship this largesse will be dissipated. The government will say "But we gave you money." And the rednecks will say: "I told you so".

There is a saying. It's not original, but I believe it to be true: If you took all the money in the world and evenly distributed it, within 24 hours it would start to go back to the way it was, and within 5 years you would hardly notice any difference to the way it always was. Why is this so? It has to do with attitude. If you have the attitude of wealth then money accumulates. If you have an attitude of money, you'll spend it and it'll be gone, regardless of how much you start with. This is often expressed as: "To he that has, more will be

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given. To he that has not, even what little he does have will be taken from him." We see this so often in lottery winners. Almost all end up as broke as they were before they won it. What makes the difference is knowledge. If you know the difference between money and wealth you'll not only keep it, you'll add to it. What's it to be? Consumer or producer? Buyer or seller? Victim or victory?

Rory is a native North American. He and his brother had come from circumstances of poverty and neglect and were adopted by a middle class couple who brought them to live in Australia. When Rory was in his teens, an oil exploration company found a large oilfield on his nation's homelands in Canada. Revenues were in the billions. Royalties of 10% of profits were paid to the native peoples. All 600 of them. The community, after building a casino, decided to split the income amongst themselves. Rory and his brother at 18, along with each of the other community members came into an income of \$100,000 a year, increasing at 10% per annum compound. For life.

What did this do? It destroyed the community. Alcoholism, drug addiction, promiscuity, gambling tore the community apart. Nobody had taken the time to teach the people the difference between the money that you take shopping, and the money that you use to create wealth for others. Money is the fuel for the journey, not the destination. So many people, when they get money, greedily spend it on themselves. They line up, snouts in the trough, trotters as well. Yum, yum. More. They may pay lip-service to others: 'Yes, I'm helping others. What do you think I'm paid for? It's my job okay?' but their actions betray them. They greedily push others aside in the rush to serve themselves first, and they enlist the self-interested, hypocritical complicity of those alongside them in their anxiety to keep the gravy train running.

Wherever we look, we see short-term self-interest at work undermining real wealth for the sake of greedy personal gain. We see hypocrisy, laziness and self-justification. Or we see ingenuous ignorance and childlike trust from people who've never asked why. Self serving will never give us what we are looking for. For a few years I was on the finance committee of our church fellowship. We were constantly short of cash and asking the congregation for more. And I wondered why. One of the committee devised a drama which explained to me why: A young girl came on stage with a cake. Along came a boy with the slogan 'Outreach' pinned to his shirt, smiling broadly. He knew he would be served for that was the church's purpose for existence. "Can I have a slice, please?" he inquired in as polite a tone as he could muster.

"No," came the reply. "You'll have to wait."

'Electricity' came along: "Can I have a slice?"

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"Yes, here you are."

"Yum" said 'Electricity'.

"What about me? Is it my turn yet?" asked 'Outreach'.

"No. You'll have to wait."

'Wages' trotted up. "Here you go 'Wages'. You've been a good boy. So patient."

"What about me?" wailed 'Outreach', his tone becoming a little strangled and desperate, putting the audience in mind of a child urgently needing to pee.

"No. Be patient!" Cake Girl was starting to lose it with him.

Stationery, Rent, Cleaning, Travel Expenses all took a slice.

"What about me? When's it my turn?" sobbed little 'Outreach'.

"You'll have to come back tomorrow. It's all gone" exclaimed Cake Girl. And for a moment I could almost imagine I saw the faintest trace of a smile.

The moral of the drama was: "If only we had a bigger cake!" Have you heard that complaint before somewhere? 'No, look, sorry. Ah, we can't get a clinic team to Namibia this year. We don't have the resources.' It won't wash. While we serve ourselves first, and resent and blame those we serve, the cake will never be big enough to go round. One of the reasons the US has held back on funding the UN WHO recently is they spend 80% to 90% of their revenue on 'administration'. This is shorthand for jobs for the boys and conferences in the Maldives. All power tends to corrupt and without a guiding vision, absolute power will tend to corrupt absolutely.

How many pious politicians bluster about their concern for the people, bleating plaintively about hospital waiting lists, and refuse to deny themselves chauffeur-driven cars and million dollar pension schemes payable after two terms in office? We may rush

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around in self-important rationalizing, puffing ourselves up, declaring we're working on the behalf of others but it just ain't so. Spend yourself first on others. Help others to get what they want. Use your God-given talents to give everyone you meet a helping hand and you will tap into the unstoppable steamroller of love and synergy. Understand wealth. Wealth does not come from ripping people off and hoarding bank-notes like a miser but from helping people out and giving bank-notes like a lover.

Mick was a mate. He was living the high life on the Gold Coast and he invited us up to sample the high-roller lifestyle. V.I.P. all the way. Executive Suite, breakfast at midday by the pool, shopping at the Mirage, lunch at 5, show-time at 8, dinner at 10.30, nightclub till 3.30, gamble till dawn. Stretch limo, Krug champagne. Mick's idea of a real good time.

Five-thirty a.m. we're in the private gaming room of Jupiters casino. Invitation only. I'm in bored tourist mode focused more on bed than gambling when my gaze falls upon a solitary elderly blackjack player. Capturing my focus is a pile of hundred-thousand-dollar chips, by my world-weary estimate he's fiddling with five to ten million dollars.

We went upstairs to bed and the following evening went to Nicholsons for dinner, so pukkah they speak to you in French. Pauline ordered an \$85 entrée of caviar to test my mettle (We'd only been together a few weeks at this time and she was intent on plumbing the depths of my financial resolve), and at the table next to us was the elderly blackjack player of the morning before. Named Jack. 73 years old. Dining alone. He was in the process of getting drunk and offered Pauline a glass of '61 Grande Vieille Armagnac. \$1500 a bottle. It was his third bottle. As the night wore on it was plain Jack was the loneliest person on the planet. The drunker he got the less inhibited he became about his past and he began bragging about the crooked deals, the bribes, the payoffs. Trying to enlist our complicity.

As the meal drew to an end we were drawn deeper into Jack's loneliness. We were preparing to leave when a liveried servant hurried to steady Jack and separate him from his chair. It was Jack's chauffeur. The chauffeur had stood in respectful silence all night and now was his time to act. Half dragging, half carrying, he maneuvered Jack to the lift. We helped. Downstairs at the entry to the foyer, if you have a flash car, they park it in front of the fountain. We had a week-old Jaguar Sovereign, midnight blue. Parked in front was Jack's car, a beige Bentley Turbo. Half a million dollars worth of motor car. The chauffeur poured Jack into the back seat, put on his gloves and cap and drove off. We followed down the drive out onto Cavill Avenue. As Jack waved his arms about in the backseat, silhouetted in the glare of oncoming cars, I turned to Pauline and said: "There goes a bloke with everything the world has to offer. And he hasn't got a thing. He's terrified of dying, leaving a roomful of unspent bank notes."

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Most people never make it to the obscene level of Jack's money and as a result their dreams are never dashed. They remain focused on the dream: "If only I had that, then I'd be happy." And as they never get 'that', their misperceptions remain undefiled. As you may gather from this book so far, I was burdened with that rare affliction of being too clever by half and thus, too easily achieving my goals. And I very early on encountered this strange phenomenon of "Is that all there is?" and for some years searched fruitlessly for an answer. Just prior to going broke the first time, I spoke with a client, Barry, a man who has subsequently gone on to achieve a modest empire in spite of his fervent efforts at immodesty. I recall asking him in the very early days: "What are you going to do when you make your first million?"

"Make my second."

"Yes, okay, but what about when you've made ten million?"

"I'll go for twenty."

"Okay. How about a hundred million?"

"I'll go for two hundred. You see, George, money is just a way of keeping score. It's not an end in itself. It's the barometer of how well you're doing in the game."

I've thought about that a lot over the years. A few years later we had a hot tip on a WA gold-mine, of which our syndicate now owned a sizeable percentage, and I rang a handful of selected clients, including Barry to give them the tip. Ten days later I met up with him at a conference.

"How did you go with the shares?" I asked.

"I made a decent drink. Thanks for the tip." was his reply

"That's great. Listen, we're putting a group together to set up a domestic violence refuge on the peninsula. We've raised a quarter million so far, how about kicking the tin. It's tax deductible."

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He looked at me as if I'd narrowly missed kicking him in the groin, which in essence I had.

"I'm the only charity I give money to George." A stern reply and a sterner look forbade any response from me. I had been told. And I thought - 'Shades of Jack!'

Money is not the barometer of how well you're doing. It took me some years to discover that it's a fringe benefit, not the whole game, but by then an awful lot of things had happened.

Summary

- Real wealth comes from helping others
- It's easy to become seduced by money
- Money is not the barometer of how well you're doing

Chapter 25 - Our Personal Adventures Before and After . . .

In childhood I was quiet and introverted, a timid observer of life rather than a full participant. My mother encouraged me to do my best and my father encouraged me to *be* the best. Given their encouragement I excelled at school yet there was something missing. No matter how well I performed I never felt I belonged. I felt excluded, an outsider, an observer. I felt that life was happening somewhere else. I became lonely and depressed and so I redoubled my efforts at igniting that vital spark in my life. I worked harder at school and did better but that only served to distance me further from my contemporaries. I became the last one picked for team games so I tried bribery. I took my stamp collection and gave a page to each of the kids I wanted to be friends with. But nothing changed.

I developed a level of quiet determination to 'show them'. Here was the spawning ground of my stubbornness and determination. This was the beginning of my obsession to prove I was smarter, the furnace that forged the conscious decision to outsmart the game and to apply creative lateral thinking to seemingly insoluble problems. A positive force which eventually made me rich, but also a profoundly negative one which led me on a bleak journey to emerge many years later, stronger and wiser on the other side.

From school I went on to a short stint at university where my aloneness was absolute, a little factory work, a couple of years at teachers college where I cultivated the bohemian outsider look and on to marriage to the first girl I had had the courage to kiss (true love at last). Teaching for me was a trial. I had to do something to earn money to eat but I little understood my incapacity for the detail and organisation needed to entertain, let alone educate three dozen mixed-age ankle biters. I became increasingly depressed, trapped in a maze of my own making and turned to the fellowship and hearty familiarity of the pub, which, though I remained an awkward outsider, accepted me as I was and became my preferred home.

I had idealized teaching yet the reality hurt. I was a foggy dreamer, unschooled in the ways of the world, impractical, lazy, focused on poetry and ideas, without the resolve to organize children or parents, timid, childlike myself. Lonely and isolated, unhappily married, it was little wonder I turned to the anesthesia of drinking and I began to turn in on myself, shunning outside contact, contenting myself with the closed corridors of my own mind. Drinking helped. Babies came along inspiring a mix of prepackaged sentimentalism and detached curiosity. I was far too selfish for paternal feelings. To avoid being hurt by life I had affected an intellectual disdain of things mundane and this encompassed most aspects of daily life from hair curlers to happiness.

As each day passed I built this wall of pride and disdain higher. Life, I had decided was a fraud. Had I not, after all, been a dutiful son and scholar? I had. I had endeavored to follow life's instructions to the letter and yet had come up empty. They said: "Do well at school and you'll be happy." So I did and I wasn't. They said: "Get a good, safe job and you'll find satisfaction." I did but I didn't. They said: "Marry and have children and your life will take on new meaning." I did but it didn't. It wasn't fair. I'd done everything right but I was profoundly miserable, and I made up my mind then that you could not trust life or anyone other than yourself. In my mind at least I became Lone Wolf McQuade, riding the range, righting wrongs.

All this was to change in 1979 when I went into business. Suddenly life was exciting. Not only could you throw in the job you hated, working from home with a flagon of port for company, but now there was so much money you tired of counting it. Heaven on a stick! My greatest joy was the first day back at school in 1980 when my colleagues returned to work but I didn't. I celebrated, gloating at home as the phone rang and rang with orders for the products I was selling. At last my life had joy and meaning. Money, wealth, power, excitement. Over the next few years I explored greater and greater excess, delighting in the sense of freedom and power I had. Nothing stood in my way. I could have whatever I wanted and I made sure I wanted for nothing. A Mercedes would be nice. Sold. How about a sports car. Sold. A boat. Sold. Another house. Sold. A holiday. Sold.

I found I could buy whatever I wanted. Yet I found myself wanting more. I remember thinking at the time: "If only I had a sports car. Then I'd be happy, popular, admired and so on." And I remember sitting in the sun overlooking the ocean on the balcony of the Beach Hotel having lunch with Bernie, looking down on my newly acquired iridescent green sports car, thinking: "Is that it? There has to be more. Come on, somebody, jump out of the cake and yell 'Surprise!'. This can't be all there is." And once again, my old feelings of self-mockery arose. "You'll never make it, George. You don't belong here and no matter how much you pay, you'll never be good enough."

And I sank deeper into depression and daily drinking. Money continued to pour through the mailbox, daily mocking my misery and self-doubt. I became desolate. If money couldn't make me happy what hope was there? Life truly was a fraud after all. My drinking was by now continuous, the days dreary and unchanging. I would wake at 9.30, sick and hung-over, cursing the day for finding me still alive and reach for a bottle of vermouth. I would answer the phone and pack orders till midday at which happy hour I gave myself permission to go to Bernie's place and settle in to some serious drinking over lunch. Lunch would conclude at 5.30 and I would return home to a stony faced wife who would remain silent till she retired at 9.30 pm. At this point I gave myself permission to retrieve the 5 litre cask of moselle in the boot of the car which generally took till 1.30 am to consume at which point I sank into unconsciousness. My overfull bladder would wake

me at 3.30 am, and as I walked past the cask I would pour the remainder into a schooner glass, slug it down and then feel my way down the hall to bed.

This pattern repeated itself each day and the days became months and the months became years. My wife became increasingly resentful and would seek out my stash of alcohol and pour it away. A game of silence ensued and I would silently open a fresh cask and proceed to consume it. One day, however, a change occurred in the ritual. One evening, instead of sitting down to watch television, my wife went out the front door and drove off. We never spoke of course as that would spoil the game, but I was intrigued. Three or four times a week she repeated the process, leaving the dishes in the sink, putting the girls to bed and departing. And I noticed, too, she had stopped dumping my wine down the sink. I was intrigued and my curiosity overcame my respect for the rules: "Where have you been going to at night?" I asked.

"Al-Anon." Came the curt response.

"What's that?" I was equally effusive.

"It's a support group for the relatives of alcoholics."

I burst out laughing. "But your Dad doesn't drink as much as I do!"

"He isn't the alcoholic, George. You are."

I hooted with laughter again. "Come off it! Yes, I drink a bit. Who doesn't? But alcoholic? No way! You're only going to that Al-Anon bitch session to make yourself feel good by complaining about your lousy alcoholic husband. That's a low act!"

"Come along and see for yourself." She replied.

I was stuck. I'd walked into it. "Okay then," I blustered, "I will." And the following night I accompanied her with serious reservations to her hen night bitch session. When I arrived I was astounded to discover there were blokes there. That blew my theory out of the water. And I was even more surprised to discover that nobody bitched about the 'alcoholic'. They talked about themselves, their lives, their emotions. This was one strange group.

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Bob introduced himself and asked if I'd like to visit an AA. meeting the following night and it was here I had a brainwave. If I pretended to be an alcoholic I could polish up my halo, win my wife's affections and still drink. A real win-win situation. "You bet!" I blurted out, then realizing I may have sounded overly eager, added absent-mindedly: "I wouldn't mind finding out if I'm really an alcoholic or not."

The following night Bob took me to the city group meeting. A real bunch of losers, but it didn't matter. I was on my mission I hung out trying not to look too cool and Rolf rushed up to me, pumped my hand and said: "Hang in there mate. It'll get better." And I thought: "It'll want to. Who is this loser? Leave me alone. Go irrigate your colon." Another dude I'd never seen before introduced himself as Ernie (the garden gnome) and said: "If you don't pick up the first drink you can't get drunk." I began to wonder if I'd hit a Ken and Barbie on Prozac convention. But I hung in there. I was on a mission after all: Polish up the halo, win the wife's affections back, try not to look too good. I had, after all developed a cool and tough exterior. Years of insecurity had built a tough wall around me and the bricks in the wall were pride, aloofness, conceit, power, wealth, possessions, achievements, talent. I was not about to let anyone break through.

For seven weeks I polished the halo, attending AA regularly, working on my secret mission. My pride kept me sober. I knew I was not an alcoholic and in my way I was setting about proving it. On the fifth of October Bernie arrived to take me to lunch. Our favorite watering hole, the Beach Hotel overlooking the Pacific Ocean. The ideal place, now that Lloyds had been blown down in a storm, for masters of the universe to voice their dreams. Lunch at Lloyds had often degenerated into a fifteen hour session and it was sad to see it washed into the ocean.

"Why are you going to AA. George? You're not an alcoholic. I mean, look at yourself, you don't even drink as much as me!"

"That's true." I liked Bernie. He's a very perceptive person and I began to wonder if he could see through my scheme.

"You're only going along to win that bitch of a wife back!" Bernie was clearly still smarting from the two glasses of wine she'd thrown over him at the Arts Ball the March before, he of course, remaining the very soul of gentlemanly propriety, patting himself down with his handkerchief, continuing on in cultured tones as she railed and ranted.

I grinned sheepishly. "I could never fool you for long Bernie. Yeah. I'm doing the prodigal son bit. I've always said it's better to ask forgiveness than permission so I'm

tucking my tail between my legs and groveling a bit. But keep it to yourself okay."

"Like the grave. But look, we both know you're not an alcoholic. I know it. You know it. Why keep up the pretence? Let's prove it. We'll split a bottle of wine between us."

There were times when Bernie's logic was so incisive you simply couldn't fault it. This was one. We both knew I was play-acting, trying to prove I wasn't alcoholic. And we both knew no matter how long I remained sober it wouldn't prove a thing. Here was my big chance. We ordered a bottle of Houghtons White Burgundy to go with our fish and chips. No worries.

And then Bernie said: "I could go another glass. How about you?"

"Sure, why not." I was beginning to feel expansive. We bought another bottle, poured a glass each, and because this was a scientific experiment, poured the remainder of the bottle into a pot plant.

At five o'clock we were still there. And there were twelve empty bottles on the table. The experiment had gone horribly wrong somewhere. And the realization slowly dawned that I was an alcoholic. And I was going to die. When I was drinking, all I wanted to do was die. But now I'd had seven weeks of relative sobriety I no longer wanted to die. But I was drinking again. And I didn't know what to do.

Bernie was like me, a drunk who worked from home. We both worked in the computer industry at the time it was growing exponentially, and drunk or not, if you threw any kind of net out you'd end up with a boatful of fish. On many occasions, drinking at his place, we'd dream our dreams and he'd get an idea and pick up the phone, dial international directory assistance to get the number for such luminaries as Wozniak and Gates and we'd bully and bluster our drunken dreams to complete strangers for as long as they'd listen to us.

On one occasion we'd flown to Canberra to talk with Peter Mogg about missile guidance systems. How that came up I haven't a clue, as neither of us knew a thing about it, but we found ourselves at lunch (Georgespeak for drinking) at the Black Mountain revolving restaurant. At 5.30 the restaurant staff had turned off the motor which meant the view had stopped going round, turned off the air-conditioning, put all the chairs on the tables and were noisily vacuuming around us. I attempted to complain to the maitre d' but he smiled and apologized for closing early and told me he'd taken the liberty of calling us a cab. "No way! You're not telling me what to do. Giffsanardrink."

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"I'm sorry sir, the bar is closed."

"Nar giffsanardrink. Drinksararnd."

"Sir, my name is Michel. I am the maitre d'. Could I inquire your name?"

"George Parry. Wossit teryoo."

"I'm sorry to tell you Mr Parry, you and your friend are barred. Do not attempt to book into this restaurant again."

So we left. The cabbie helped us out at Rydges Lakeside, and like likely lads about town we sauntered into the bar. In less than a minute, certainly before we'd ordered our second round, we were approached by a firm but polite bouncer advising us we could not drink here without ties, and despite both of us removing our belts and buckling them round our necks, he failed to see any humor in our approach and insisted we leave. His task of ushering us out the door we'd just entered was made more cumbersome with Bernie having to stop and hitch up his trousers and with us safely on the pavement, tucking our shirts in I took the opportunity to yell some timely, if not exactly cuttingly humorous abuse in the vein of "Oh yeah, so you think you're tough?" Something like that. Whatever, it was enough to bring the bouncer back to where I could see the blackheads on his nose and smell his breath: "What's your name?"

I couldn't think of anything witty, so I said the first thing that came into my head: "George Parry."

"You're barred!"

We must have hailed a cab to the airport and continued drinking at the bar, as the next thing I recall is being seriously accosted and shaken by a uniformed gentleman: "Are you George Parry?"

"Yes" I was now clearly too drunk to do anything wittier than tell the truth.

"Where's Mr Carter?" The shaking subsided slightly.

"Innatorlet. Arlgogerrim."

"You wait here. I'll go get him. We've been paging you pair for an hour!" The pilot emerged dragging a bewilderedly corpulent Bernie who was scrambling to stay upright. As we were frog-marched past the bar, the pilot muttering oaths and obscenities, Bernie did a particularly balletic thing, which to this day amazes us both. In one smooth continuous flow, while firmly held at the scruff of the neck, he slid a \$20 note from his shirt pocket, threw it over the bar and simultaneously grabbed two bottles of warm riesling on display on the bar, and withdrew them to the safety of his coat flap without the pilot noticing. A master's touch.

We were frog-marched into the plane to the unseen, but silent, frosty glare of the other 7 passengers and we lurched gleefully into the back seat, clutching our booty. In total darkness and to the roar of the engines we took off, Bernie and I endeavoring to push a cork each into the bottle with our little fingers. I hit upon chipping it out with my car keys and Bernie found a biro and within a few minutes we'd uncorked each bottle.

The Canberra to Newcastle run takes an hour and a half in a single pilot, 9 passenger plane, little bigger than a Ford Fairlane. Neither of us is lightweight and so, when Bernie decided to shift seats to talk to the girl up the front, I felt this was unwise, as apart from anything else he was drunk and this might offend her, and I got up to grab him to bring him back to his seat. I was in the process of doing this socially responsible thing when the pilot yelled at us using quite graphic and specific obscenities to sit down. This prompted me to rather more rapid response than normal and Bernie and I landed in a 200 Kg heap on the backseat to the sound of strangled murmurings from passengers and engines.

At the terminal at midnight our hilarious retelling of this episode was met with inexplicable disinterest from the rapidly retreating passengers but equally inexplicable interest from the two security guards who hadn't even been on the plane, and who, at a suitable pause in the narrative said: "What's your names?" Slightly taken aback by their abysmally poor listening skills we could do nothing but stop mid-sentence and tell them. "You two are barred from Eastern Airlines. Do not attempt to book a ticket in future. You are permanently blacklisted." And they walked off leaving us devoid of our only audience.

Not an unusual day and quite possibly not even a record. To be barred from two pubs a restaurant and an airline, it's all in a day's work for a drunk. But the end result is you can no longer remember where you are, and where you are not, allowed to drink. When the

only place that welcomes you with open arms is the drive-through bottle shop, the only place left to drink is home. And home has particular advantages. It's cheaper and it never closes.

I was drinking again and I was going to die. But I didn't want to die. But I knew the end result of my drinking was death. Once I'd started I couldn't stop. Previously I hadn't wanted to stop. Prior to going to AA all I'd wanted to do was drink myself to death but AA had given me hope. Now I was on the merry-go-round again and I knew I couldn't get off until I was dead. But I didn't want to die. I tried to drown the rat in my head but it had learnt to swim. Round and round. As always I was the last to leave, unable to find the car, much less the keys, but the barmaid had called me a cab and I went home.

Lying in bed just after midnight the rat surfaced again: "I'm drinking again. I'm going to die. I don't want to die.", when a voice came into my head: "Try prayer." And I thought: "No way. There's no God." I knew there was no God. And the voice said: "Just as you knew you were not an alcoholic." And the rat clamored for my attention: "I'm drinking again. I'm going to die. I don't want to die." And the voice came again: "Try prayer." And my head spun and I stuck my leg out of the bed and put it on the ground to stop the world spinning. I was pretty drunk. And the rat insisted: "I'm drinking again. I'm going to die. I don't want to die!" And the voice said: "Try prayer."

I had no answer. I knew there was no God. I knew it was all mumbo jumbo to keep the peasants in order but I had no answer, no relief from the rat in my head and I said: "Okay. I'll give it a go. I'll try anything once. Oh this is stupid. There's no God. I feel like an idiot." And I lay there and said: "Okay God, if you're there, Cool Hand George here." I was Cool Hand George. Master of my own destiny. If I wasn't happy I'd make more money. If she wasn't happy I'd buy her a new car. I was not about to admit defeat. I ran on raw energy and had a tightly wound spring of aggression and 'never-say-die' inside me. "God grant me the serenity to accept the things I can't change." That was as far as I got. The moment I dropped my guard that much the spring inside of me went tick, tick, brrrrrrr, and unwound. And I was at peace. All stress and tension gone, And I felt whoever or whatever this power outside of myself is, reach down and lift the burden from me. And the voice said: "You've taken the first step. You're on your way."

Now I know I was drunk and that this episode may have simply been self-delusionary. But the point is, this experience changed my life. The obsession to drink was taken from me and has never returned. I went on to find the real wealth I'd been looking for in the peace, contentment and focus this experience gave me. Up until this point I was the master of the universe. I reveled in power, money and control. I could have anything I wanted. But my life was fundamentally flawed. I acknowledged only that which I could see or buy or hold in my hand. I looked at the material world as my personal playground and the only things of value were things or people or experiences that gave me pleasure,

comfort or security. Cynic that I was, I knew the price of everything and the value of nothing. But fortunately my journey had only just begun.

The fifth of October was a turning point in my life. From here my material world descended into anarchy. For the second time in two years I was technically bankrupt, only this time I had also lost my home, wife, children and possessions. What remained was a critically ill business, a lot of debt and a quiet knowledge that there is a world outside of our five senses, that there is a power outside of myself which many call God, which has my best interests at heart. This experience remained my anchor and gave me peace. I had a new perspective on life and my life was about to take off. I was about to experience a roller coaster I could never have imagined.

It was all downhill from October. In spite of my continuing sobriety my relationship with my wife was clearly terminal. "Either you leave or I will" she repeated, so reluctantly, thinking she'd call me back at any moment, I rented an apartment by the day. Returning to the house that night to try to win her back I found my keys didn't fit. She'd changed the locks. This annoyed me as much for her lack of class as her lack of subtlety so I followed suit and clambered in an open window. And discovered she was going out with another bloke. It was no real surprise so I drove around the suburbs looking for either of their cars. I must have been more absent-minded than usual as I picked up two speeding tickets and in frustration I returned to the house and rang my sponsor in AA: "Mick, you know where this Jorgen character lives. Where does he live?"

"George, do you know what time it is?"

"Where does Jorgen live Mick?"

"George, it's 3.30 in the morning. Come over for a talk."

And I went over to Mick's and we sat outside on the porch drinking coffee. "George, it's over. It's finished. You have to accept that. If you can't accept what is, you'll go crazy." *Acceptance*. Yes. He's right. His advice saved my life. I could have spun my wheels with the 'yes buts' and the 'if only's' and gone insane and drunk again. Accept what you can't change and get on and change what you can. Life-saving advice.

I couldn't change other people. I wasn't responsible for their happiness. They weren't responsible for mine. I was getting well. I became a vagabond, travelling in AA, staying with friends, renting a serviced apartment by the day when I was in town. Rootless, undirected. At Christmas time I found myself in Brisbane staying with AA friends. At a

meeting in Annerley I was to hear something I needed at that stage of my growth. A heavily pregnant woman, Jane from Canberra spoke: "There's a lot of nonsense spoken about life. If you cut to the chase, there's love and there's fear and one drives out the other. Love is forgiveness, patience, acceptance, tolerance, compassion, having a sense of humor, and not taking yourself too seriously. Fear is judgement, manipulation, blaming, trying to control outcomes, resentment, hostility, self-pity and keeping score. You choose. You let someone get up your nose they end up living rent-free in your head." Now that's in your face, but it's what I needed to hear. It put the whole intangible side of life, stuff that I'd avoided as soft and wussy, down into hard bite-size chunks. Simple. Understandable. Relevant.

We need to focus on love because without it we shrivel and die. Not the Mills & Boon kind or the Anne of Green Gables kind, but the tough kind, the real kind that says: "I'm here for you. I'll go out of my way to help you get well, but you pick up a drink and you pick up the consequences of the drink." The kind of love that sends Fred Hollows out into the desert with a hostile department cutting his budget saying: "Stuff the glory. I'm doing it for Lyle and Selma and Darcy and Shirl and the people at Goodooga and Toomelah." The kind of love that puts a tiny peasant woman in harm's way in Calcutta saying: "People die one at a time. We rescue them one at a time. Each one has a name."

Love gives us a name and fear a number. Fear categorizes. Love liberates. All of my life I had viewed people through the abacus of "What's in it for me?" If they had no tangible value to me I dismissed them. Today I am discovering that we get what we give. If I give cynicism and superiority, the mirror of life returns it to me. If I give kindness and compassion it comes back to me. Before my wall of self-preservation was broken these ideas were alien. They were sissy, girly concepts, not fit for red-blooded carnivores. But I was changing.

My drinking and hard-nosed, profit-driven, business style had alienated me from people. My caustic marriage had driven people away and I was lonely. Sure, I was a financial success, but that's all I had. I was desperately unhappy. Half-hearted attempts at a normal social life were met with shocked surprise from those I approached. I had painted myself into a corner and the only friend I had was my drinking buddy, Bernie. When I got sober and surrendered, I discovered the world is full of people only too happy to be your friend. The wall I had built around myself had simply driven them away.

I discovered the remarkable truth: You get what you give away. If you give out cynicism, aloofness, conceit, superiority, bragging and trying to build yourself up by putting others down, that comes back to you. Drive a Lamborghini and you send the message of personal insecurity, driving others away, not as we may suspect from envy, but from an unwillingness to engage with a person who is sending the clear message: "Keep away. Injured stray." The shallower and lonelier our life, the more we advertise it through

conspicuous consumption. I tell you this from personal experience. We need to find a better emotional anchor than simple consumerism, otherwise, when we achieve our material goals and come up empty, the only logical conclusion is suicide. Materialism alone is insufficient, indeed materialism alone is a fraud. Fortunately, or perhaps not, most people never achieve their material goals and are thus never disappointed, contenting themselves then with the continuing struggle and with the 'lesser' goals of family and friends. The lot of the very successful entrepreneur, however, is often depression when he comes to the conclusion: That's all there is.

But the good news is, that's not all there is. I recall the artificial and expensive merriment of the dinner party organized recently to celebrate the wedding anniversary of a particularly wealthy couple we have known for 20 years. Looking around the table I couldn't help but notice how few guests they had invited. Only 22. And then it struck me. My wife and I, and one other couple, were the only non-employees. And I compare that with a birthday dinner last year for a friend whose estate was bankrupt. He, himself, would never be bankrupt as he had wealth of the kind that could not be taken by bailiffs. The restaurant was overflowing with friends and family. Each of us happily contributed \$26 to cover the cost. The children put on a charade and at the finale presented their father with the missing, prodigal son, carried on in a double-bass carry-bag. The evening overflowed with love. You get what you give away. Give out fear, regardless of the enormity of your bank balance, and it comes back, reinforcing your belief that the world is a hostile place. Give love unconditionally and it comes back a thousand-fold. Put no conditions on love, for to do so is simply fear dressed up. If we give, then fold our arms and wait for a gift in return, this is simply a transaction. Give boldly, extravagantly, with no hooks or strings, and life will reward you even more outrageously. The trick is to expect nothing in return other than the joy of giving. That's the only selfishness we need.

If your life ends up like Jack or Barry, with a serious oversupply of cash and a terminal shortage of meaning and contentment, and if you've taken my advice this far you may now find yourself in this position, then stop. Think for a while. What's it all about? It may be time for you to give. Not money. I'm not talking about you posing for photo opportunities at the black tie charity dinner where you can ostentatiously wave your check book. If you want real wealth you'll have to give it first, and money is not real wealth. Money is the fuel for the journey. Real wealth is a life lived without fear. To achieve it you'll have to give it and to give it you'll have to give love. Look for an opportunity to be of real value to someone nearby. And do so without fanfare. Mother Teresa was interviewed on a Phoenix radio station and at the conclusion, the interviewer asked if there was anything the listeners could do. Could they perhaps send in a donation?

"We have no need of money." was her response.

"But surely," he insisted "we have 120,000 listeners. Surely they could help."

"I assure you, we have no need of money. Our mission is about people, not money."

The interviewer persisted and finally, Mother Teresa told him: "There is something *you* can do. When you go to bed tonight I want you to set your alarm clock for 4 am. Get up and put on your oldest clothes. I want you to go to the poorest districts of Phoenix and walk around the derelict buildings and under bridges till you find someone who believes they are all alone in this world. And I want you to convince them otherwise."

Life is a lonely place without love. We build a wall around ourselves thinking we can keep the hurt out. If only we can build a wall big enough. And the bricks are wealth, prestige, cynicism, talent, degrees, arrogance, jobs, health, appearance, family, children, clothes, cars, houses. And as we build it higher, the wall becomes us and we bounce off other people's walls, and we communicate wall to wall. It's only a façade but it keeps us safe from the hurt out there. But we become lonely. It separates the real you from the real me. Nobody really knows us. We've built such an elaborate brick wall of pride and self-sufficiency it becomes our prison. And eventually it becomes our tomb. The truth is, the hurt is not out there but in here. We need to break down the wall to release the poison rotting us from the inside. But our pride won't let us. Our pride tells us that our wall is the only thing we have to keep us cool and tough and clever and light on our feet, yet we slowly shrivel and die behind it.

Whenever Ken came in off a binge he'd put on his best brown suit, his yellow shirt and his red tie. He'd slick his hair and polish up his brown brogue shoes and he'd turn up early and put out the chairs and set out the cups and the coffee and milk. And I'd come in and say:

"Ken you look great. You look a million dollars. You look just like Frank Sinatra."

And Ken's shiny nut-brown face would crease into a great spreading smile and he'd say: "Do you think so George. I think I'm gonna make it this time. I know where I went wrong last time and I'm not gonna make the same mistake again."

"I hope so Ken." And he'd last a few weeks or a few months and would inevitably bust again and again. The last time I saw Ken was a Sunday night meeting. "See you Wednesday, Ken."

"Yeah, see ya George." I didn't see him again. The following week I asked Grant:

"Where's Ken? Off on a bust again?"

"Haven't you heard? Last Sunday night Ken met up with some mates and they bought a few flagons and went down to the railway yards for a party. After they'd finished the wine, Ken wandered off. They found him the next morning. He'd taken off his jacket, rolled it up, put it on the railway lines as a pillow and went to sleep."

Alcoholism, defiance, pride, resentment, bitterness, despair, self-delusion, self-destruction. These are the results of never letting go, never admitting defeat. Cool Hand Luke could not admit defeat. Facing a superior opponent in a Florida prison yard, surrounded by other inmates, he squared up, punched the air and was smashed down. The crowd roared. He got up, wiped the blood from his nose, shaped up and Drag-line landed a hammer blow to the side of his face. Down to the dirt, face down. The crowd erupted in admiration: "Kill him!" Luke rose again and the same thing happened. Down, down, down. The mood of the crowd began to change from elation to cautious silence. "Somebody oughta stop this." Luke rose unsteadily and took another smashing blow. "Stay down Luke. He's bigger than you. Stay down." As he rose to his elbows Luke looked through the arc of leg-chains tethering Drag-line's legs and the old anger surged in him again.

"Stay down Luke. I don't want to hurt you any more!"

"You're gonna have to kill me." he growled.

In the final scene, caught in the glare of the bosses' spotlight, caught with no escape but to go quietly, he stood in the window and smiled that old Luke smile: "What we have here is a failure to communicate." and he lurched forward as the bullet pierced his throat. I see so much of Luke in myself and in the people I deal with. Pride to the death. Travelling a path of lonely, prideful self-destruction, blaming others. The macho loner is burnt into our culture yet it is one of the most destructive of all role models. There is a better way.

Turning onto the expressway in a summer rainstorm, I saw him hitching a lift, a comical skinny figure sheltering as best he could in the meager rain-shadow of a speed sign and I turned in to pick him up without a second thought. I knew what to expect, the sour smell of week-old sweat and stale beer, the missing teeth, the obligatory LOVE and HATE tattoos on his knuckles. Darren didn't disappoint my expectations, right down to the multiple earrings and soggy packet of jail-issued White Ox tobacco. He was as pleased as a puppy to get a lift and proceeded to tell us how he'd got there. He'd been busking in Tamworth, do you mind if I smoke, yes, no, okay, and had had his tent burgled, his guitar smashed and all his belongings stolen, and was hitching back to Queanbeyan, nice car,

thanks for the lift again, do you want to see a photo of my wife and kids?, six of em, aren't they beautiful. I made small talk while Darren passed the photos around, carrying the bulk of the conversation while Lyndon, my business partner murmured assent at polite intervals. "We'll drop you at Palmer's Road." I yelled above the roar of the rain.

The hail started a couple of miles before Palmers Road and I looked at Lyndon. We understand each other quite well. "We'll drop you at the station." Lyndon shouted. At Morisset the 6.08 from the city was disgorging its commuters. Darren and I stood awkwardly, an oddly matched pair, as streams of people, some of whom I knew, swirled past us. Lyndon returned with a train ticket in his hand. "There you go Darren. That'll get you home." Darren fingered the ticket, silent. Absent-mindedly he flicked it open and inside was the unmistakable orange flare of a \$20 note. His voice started to tremble. "You blokes . . ." A tear escaped down his cheek. "You blokes . . . I'm 25 years old. Been on the streets since I was 11. Lived rough all me life. Nobody's ever . . . : His voice trailed away. I seized the moment and shook his hand. "Good on you, Darren. God loves you mate." And left.

All things are possible. I met W Mitchell at the Sydney Convention Centre. He told his story to an audience of 3000. W was for Wonderful. In his early twenties he was rushing to meet his girlfriend riding his motorbike. At an intersection he collided with a milk-truck and the truck toppled onto the bike. He was trapped under the truck and as the fuel gushed from the tank he tried to remember from science class the flash point for gasoline, hoping it hadn't been exceeded. His thoughts were interrupted by a whoomph as the fuel ignited and his body began to be incinerated.

When the paramedics arrived they hauled his body from under the truck, thinking him dead. But a check revealed there was still a pulse and they rushed him to the burns unit at the hospital in Crested Butte, expecting him to die in the morning. But he clung to life. For the next three months he lay comatose, his dreadful burns attended to with love and care by hospital staff who daily expected him to die. But Mitchell survived. After many months he recovered and on the day his bandages were removed Mitchell stood before the mirror and surveyed the damage. And he wished he had died. His face was burnt off and unrecognizable either as him or as a face. He had no fingers or thumbs. He wanted to die and went into a deep depression. Many months of reconstructive surgery, the love and attention of the staff and his own natural optimism turned him around and within a year he was back out there.

And Mitchell went into business in real estate. Ignoring and overcoming his handicaps Mitchell became happy and successful and even stood once for the US Senate from his position as mayor of Crested Butte, Montana. And then in the later part of his life he bought a twin-engine Cessna which he used to ferry his customers to view real estate. It was on one of these trips that he landed awkwardly on the airstrip as wind shear slammed

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his plane to the tarmac. Fearing another explosion he told his passengers: "Get out. Get out!" And they got out. But he couldn't. He'd broken his back. And there followed another long stint in hospital of pain and depression.

And he told us the story of sitting on the terrace of the hospital angry and suicidal and cursing God. Looking up into the night sky he said: "What have you done to me? Before my accidents I had as many choices as there are stars in the sky. And what good am I now? Look at me. I'm a burnt up cripple."

And a voice came to him: "There are still hundreds of things you can do." And Mitchell fell silent. Yes. There were still things he could do. He could still talk and laugh. He could still get about in his wheelchair. In great excitement he wheeled around to find the matron. "There are still things I can do. I'm not useless. I'd like to help."

And the matron told him: "You will be of great value here." And she steered him to the bed of a man dying of pancreatic cancer. And within minutes he was laughing, thinking "I may be dying but at least I'm not as bad as him." She wheeled him to the beds of others in the hospital who thought they'd had a rough deal from life. People with debilitating or terminal diseases, depressed, feeling valueless. And Mitchell told each his story and within a few minutes brought lightness and laughter to each. And each one was thinking: "At least I'm not as bad as him."

Mitchell had a new purpose. Armed with nothing but his story, his face and his wheelchair he began visiting hospitals in the Mid-West, turning people's lives around. 'At least I'm not as bad as him.' And he became a speaker in Rotary and finally a speaker on the international motivational speakers' circuit which was where I met him. His philosophy was "Stuff happens. It's not what happens that matters. It's what you do about it. You can wallow in the manure pit of life or you can pick up a shovel and use it to compost your trees and grow fruit with it."

When Colin first came in he had weeks to live. His liver was shot, his face a bright yellow, his eyes bloodshot and yellow, shaking, foul-smelling, filthy, unshaven and unable to do other than mumble and shuffle. He felt valueless and lost. Cherie understood him. She'd been there too. And she came over to Colin and put her arm around his shoulders. "Sit here Col. Right up the front. We need you mate."

"Wha yessay? No good no more."

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"We need you. You come along and sit here right up the front where everyone can see you, okay. And we'll tell all the newcomers if you keep drinking you'll end up like him." And Col's eyes glimmered with happiness. Not no good no more. Good man. You stop drinken an you won't en up like me! And he got well. We all have a value, even the least of these our brothers.

Why are we here? To sit in splendid isolation like Jack, surrounded by all his mates at 5.30 in the morning, or to engage life? Materialism is not the solution. Materialism for its own sake is a fraud. There is more, but it's not immediately obvious, and it takes some searching out. I'd had a glimpse of it when I'd let go and asked for help, childlike and desperate, and I'd come to experience the healing power of love and letting go of fear in my life and the lives of people I was now meeting. I was starting to heal. I had no certainty other than the path I had been heading down was the wrong one for me. Where this new one was heading I had no idea.

I stopped drinking and got on with my life with the shy knowledge that there is a power outside of myself that I could tap into through prayer. I didn't know what it was and didn't want to know. All that mattered was that it worked. My business was back on the upward path to recovery, I had left my past and its caustic relationships behind, and I had a new love in my life, Pauline. I was happy, sober and back on the path of getting rich. My business took off again, this time into the stratosphere. A million, two, three, four, five. I was back where I started and in real danger of imploding. Money was coming in faster than ever. My basic unit of currency was a thousand dollars, a grand. My bank manager took me to lunch and gave me a gold card with a quarter million limit. Overseas travel, Las Vegas, Hong Kong, nightclubs, flash new cars, a house on the hill with servants, a country estate, all the trappings of wealth. We succumbed to them all. Five star hotels were inadequate. We sought out thousand dollar a night palaces. But it wasn't enough. I knew it would never be enough.

Is that all there is? I finally summoned the courage to share my experience with Pauline. "There is a God," she said. "I've always known."

"Maybe we should go to church." I offered shyly.

"Maybe. If you want. But if they burn incense and chant in Latin I'm outta there." We neither of us had any idea what to expect. I rang a friend. Sure, he'd be glad to take us.

We arrived on time, joined our friends, and climbed to the mezzanine level of a vast building, holding a thousand people. We could remain inconspicuous from here and check it out. A four year-old boy was on stage playing a cello as big as himself and his

little sister was quavering: "Jesus loves me." I glanced at Pauline. She was reaching for the tissues. A young, lanky preacher stood up and said: "Anyone who is 6 years old or younger and loves Jesus, would you please stand." A sprinkling of littlies rose, giggling. "Anyone under 13 who loves Jesus, please stand." More giggling. "Anyone under 21." More giggling an octave lower. "Anyone under a hundred and fifteen!" The crowd rose. "Hold hands." A lone violinist struck up "Yes, yes I love Jesus." And a thousand voices broke into song. Pauline and I broke into tears. We'd come home.

There is a power outside of ourselves that can break down our wall of self-sufficiency and restore us to sanity. I cannot prove to you what it is and will not try. I can only tell you what happened for me. Each of us has a different journey and the insanity of ego would have us focus on the things which separate and differentiate us, one from another. Pride, ego, self-sufficiency all conspire to isolate and alienate us from one another and from the healing power of love. We are not so different. We each need to feel we belong, to be accepted, recognised, needed, wanted and loved. Fear masquerading as pride prevents us being reached by this love. We need to have this pride broken.

A few years ago I heard the story of Irene's baby. I knew Irene well. I could see she was carrying emotional pain, holding herself stiffly, a semi-permanent wistful smile. When I heard of the baby it all fell into place. When she had been 16 she had fallen pregnant. In those days it was a horrific thing to happen and she was sent away to another state before she began to show. The baby was whisked away. It was felt it would be better if she neither saw, nor held, nor nursed the baby. It was spirited away and never spoken of again. And for the next 21 years it was a deep, dark secret which was never mentioned.

But I knew of it. I could not approach her or offer her any comfort. My heart went out to her but I had to remain silent. A month later I was invited to tell my story at a church service in Broadbeach. Irene was there. I spoke of my experience of ego and self-sufficiency and I spoke of the wall I had built and how I had finally surrendered. I spoke of how surrendering is like learning to ride a wind-surfer, of how we have to let go and hang on at the same time. And I invited the audience to let go through the process I call Open Heart Surgery.

It goes like this: Something happened in your life this week which caused you some distress. I don't know what it is and I don't need to know. Perhaps you had an argument with your partner, perhaps you gambled your wages away, you may have run over the cat, whatever. It doesn't matter what it was because we always do the same thing. We always shrug our shoulders, push it to the back of our mind and soldier on. Cool, tough, clever. I want you to do something different. I want you to go back to the incident and bring it into the present. Relive it in your mind and feel the emotion, the irritation, the annoyance. And as you're rerunning it I want you to do something silly. I want you to take an imaginary pen and start writing the incident on your other hand. Relive the

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emotions and feelings as you write. Now, hold out your hands and say: "Okay God, whoever you are, if you're there, I want you to take this hurt and irritation from me just for today. And in return, I want to feel your peace."

Okay, let's go a stage further. Something happened in your life this year which caused you considerably more distress than this week's event. I don't know what it is, don't need to know, nor does anyone else. You may have been the subject of gossip which you can't correct, your partner may have been unfaithful, you may have discovered you have a terminal disease, you may have done something you are profoundly ashamed of and hope nobody ever finds out, you may have been sexually abused, you may have had someone close to you die, you may have been rejected or betrayed by someone you trusted would be the last person to do such a thing. Whatever it was, the result is always the same. We push it down and soldier on. Time to pull it back into the present and look at it again. Yes, that happened. How could they? How could they? And as you feel the emotions of shame, revulsion, anger, hopelessness, pick up the imaginary pen again and write it quickly so nobody can see. And hold out your hands again: "God, you have to take this from me. I can't hold onto it any longer. Take it away and in return give me peace. Just for today."

Okay, you've stayed with me this far, let's cut to the chase. Something happened in your life that hurts so much, you say: "It's okay, it's nothing. I can handle it." Or you've allowed the black mist of amnesia to take away the pain. This is the one we need to get to. This is the one that stands in the way of our total capitulation. Never, never, never. I'll never talk about that. This is the one we need to get to. If you have the courage pick up your scalpel now and drive it deep into your heart and open it up and look at this one. Yes, that happened. Yes. How could they? And we quickly grab the imaginary pen for the last time and scribble this one on our hand. "This is it, God. Take it. Quick. This one hurts too much to hold onto for long. It happened. You might find it hard to believe. I did. But it's true. Take it. And in return I want you to give me freedom and peace and rest."

I didn't see Irene that day but I met her again when I returned to Brisbane a few years later. She told me what happened that day. At lunch she broke down into silent tears. Her daughter came over to comfort her. She broke down and told the story she'd kept hidden for over 20 years. Michelle's reaction was instructive: "You mean I have a brother?"

"Yes."

"Well where is he? I want to meet him!"

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"I don't know. I don't know anything about him, whether he's alive or dead. All I know is I had a baby boy taken from me before you were born."

"Who would know?"

"Nanna. Nanna had him adopted out."

Michelle stood beside Nanna who by this stage was speechless with tears. "Nanna. Where's my brother?" Nanna couldn't speak and Michelle raised her voice: "Nanna where's my brother?"

Through her tears Nanna said: "He was adopted by this particular family."

Michelle thought for a moment, then said: "I think I know that family. They have a son about that age." And without asking anyone's permission she grabbed her father's car-keys from the coffee table, flew out through the fly-screen and roared off. Three hours later Michelle walked up the pathway to a house she'd never seen before and knocked on the door. A young man answered the door.

"You're my brother." she told him. "I want you to come home with me now and meet the rest of your family. They're waiting to meet you." And there was a great healing that took place when this wall finally came tumbling down.

So often we think "If only I can keep my act together, I'll be okay." We lie and pretend and say "Everything's fine." We tough it out like Cool Hand Luke and we're beaten to a pulp, and we paint over the bruises and pretend. Something is wrong, but what? I've tried everything but it doesn't work out. We adopt the façade of being in charge yet we're so little in charge we have no control over our next breath. Tough, cool, clever, strong. 'I get knocked down, but I get up again. You're never gonna keep me down.' We glorify codependence.

Eric was born in the East End of London. He lost everything and everyone in the war and became a street kid before joining the army. He served in Malaya and came to Australia in the sixties, marrying an aboriginal girl and living in Redfern. Their first child was taken by welfare at three weeks and five months later his wife drank herself to death. Eric took to drinking in Belmore Park and withdrew within himself, remaining an elective mute for 8 years. He lived on food scraps and methylated spirits, heroin when he could get it. For 8 years he neither shaved nor had a haircut. His only utterance was a growl and

he became known as the Wolfman of Belmore Park. Eric's only human contact was with Trevor who ran the mission bus, and the matron at the Salvation Army hostel. When Eric was safely comatose Trevor would gather him up and take him to the Salvation Army mission. Here he would be fed and his clothes washed and after a day he would be well enough to get back onto the street. On each occasion, the matron would sit by his bed and say: "I don't even know your name. You've been coming here for 8 years and never spoken a word. But I know you. I have been where you are. You think your only friend in the world is alcohol. But there is one who loves you more. God loves you. If you ask him, he will come into your heart and take away the pain."

And of course, all Eric wanted was to get back out on the street and get off his face. He told me his story at the Pizza Hut one night, and said what happened for him was his only friends deserted him. No matter how much alcohol or drugs he took in, they didn't work. He couldn't get off his face. And in desperation, on his final detox, he opened his mouth to speak for the first time in 8 years: "God, come into my heart and take away the pain." I see Eric every week at AA. He is a different man, sober many years. Still damaged, certainly, but his life has completely turned around.

The example Eric sets for me, is no matter how elevated, and no matter how far down we go in life, there is a power outside of ourselves that can reach us. While ever we refuse that power's help and insist on doing it our stubborn way then we are left to do it. What is our purpose here? Are we simply meaningless protoplasm? I don't believe we are but I can't answer for you. You will have to find the answer for yourself. All I can do is tell you my story.

In the summer of '92 I was in the US promoting a music company we had started. This was one of our many failures and ran directly contrary to my own advice to myself: "Stick to your knitting." In this case we lost a quarter million in 5 months. Anyway it was the 4th of July and we had a few hours to kill before returning to Nashville. We'd been to Chattanooga and on the way back decided to head into them thar Appalachian hills and do a bit of off-road sightseeing in our rented Cadillac. We slid sideways off the freeway, Blues Brothers fashion, (You're allowed to do that in a rented Cadillac) at a store selling fireworks and headed deep into the hills. The further in we got, the closer together the trees got hanging over the dirt road and I reran some spools from Deliverance in my head. Happily, though, the deeper in we got, the friendlier the folks seemed. Each car we passed, the driver waved, there were flags flying from every farmhouse and we passed a clearing with the whole population out playing baseball. Past a country bar, complete with Dolly and Kenny and pickups and hound dogs and shotgun racks (Barbecue Jack's, whole hog, deep pit, hickory fired barbecue. All you can eat for \$4.95. Catfish free) we came to a clearing in the woods and pulled in. It was a graveyard. It was hot and we took a walk in the shade, amongst the flags and the flowers of that morning's ceremonies, looking at the headstones. They were all identical except for the inscriptions. Then I came upon a headstone that caused me to stop. It had the person's name, when they were born,

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but not when they died. I stopped, confused and couldn't work it out. Till I came to another, and another, and another. And I worked out what it meant. These were graves waiting for the future occupants, who were walking around out there somewhere, to die. It blew me away. We drove back to Nashville in silence and I was inspired to write this ballad:

Empty Grave (Bluegrass style to the tune of Dylan's "The Lonesome Death of Hattie Carroll")

On the fourth of July in a Tennessee graveyard deep in the Appalachian hills

Surrounded by cornfields and hay baled for winter I stopped to look at July the 4th fields

Of flowers for remembrance, corn for the living, symmetrical rows of granite and beans

Beans for the living, stones for remembering those who had fallen in Tennessee's dreams

Take a look at the names chiseled in sunshine, familiar names from Murfreesboro's hills

Hamby, Johnson, Sartain and Sutter, the granite's stutter of people who fell

Hopes in the stone, peace ever after, rest in peace Walter Johnson died 1909

Living and dying is this all it comes to? Living and dying in Tennessee time?

And I suddenly dropped to my knees in the sunshine, a bullet of silver tore through my head

And I read my own name on the tombstone on an empty grave for the not yet dead

Take a look, you can see, my name on the tombstone, my name, when I's born but not when I died

Oh I'm buried alive, my name on the tombstone, is this the Tennessee way that you die

Day by day with each day chiseled deeper in granite, surrounded by corn, thousand miles from the sea

Thirty miles from Murfreesboro's interstate freeway, set me free set me free from the grave set me free.

For I think of the empty grave, and the promise it holds there for me.

Take the stone, roll it away. Set me free from the grave set me free.

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Not just me there are others, go look down the columns, I'm not the only one waiting in fear

Here, look Jonah Huckaby 1943 still alive, another here's one over here

There's comfort in numbers in Tennessee sunshine, comfort in company waiting in line

Not just me, not just me, there are others still waiting, names on the tombstone and still feeling fine.

Time keeps moving steadily forward, Lord you know I'm not ready to part

With my life in July the 4th sunshine, there's time, there's time for this dying to start

I fell, I fell to my knees in the sunshine, as a bullet of gold tore a hole in my heart

And a voice cried out in the Tennessee sunshine: "You fool, you fool. Get ready to part.

This very night your life will be taken. Your soul is required. Make haste to prepare."

I fell on my face in Murfreesboro, face down in the dirt, I offered a prayer

To the Lord of my life, "Lord hold me, Lord keep me, keep me from dying this time's come too soon.

And he said, "When you're dead to the earth I will lift you. Then you can enter my promise renewed.

I fell, I fell, fell in Murfreesboro, broken of ego, broken of heart

He filled my heart with his love and forgiveness, born again, born again, here's your brand new start

Oh, I think of the empty grave, and the promise it holds there for me

He took the stone and he rolled it away He set me free from the grave now I'm free.

He who dies with the most toys wins? That's the logical conclusion of the materialist. Trouble is it comes around ready or not. Just today I read the obituary of a man I knew. He'd once come into the store smoking a cigar and Louise had asked him to leave the cigar outside. He'd taken offence and complained loudly that he had intended to spend \$10,000 that day and now he'd never step foot inside my store again, so there. And he won't either. What if it's true? What if there is something there? Too late when your heart

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shudders to a stop and hits you in the chest with a sledge hammer blow and you gasp for breath as you're grasped by death. Your brain's already shut down. Too late then. Take the risk now.

Chapter 26 - What's It All About Anyway?

So often we say: "I need to try harder. This isn't quite working, but, well, it nearly is. Oh, if only I could just somehow make it." But what if we're going the wrong way? What if we've got it *completely* the wrong way around and our pride won't let us admit we're wrong? We can choose to deny and put on a façade and try harder and endeavor to keep others under control, working to our game plan. And we can gird our loins and pretend even harder. We can put on a serene, wise, and good exterior. We can wheedle and pressure others into conforming, and they will to keep the peace, sometimes. But it never lasts. There's always some - *mongrel* comes along to foul things up.

And we can look at the seeming easy success of others and envy in secret. We can look at their casual happiness and wish 'If only . . . ', not knowing how to get what they seem to so effortlessly and undeservedly possess. And we can try harder, knowing that at least we did our best. Nobody can criticize us for the effort we put in. It's just those snakes in the grass who . . . And we can wish that we could have friends like . . . And we try harder and we ensure our reputation and appearance is spotless and at least we're not like them, I mean, the garden . . . And we reassure ourselves with material success, possessions, position, family, reputation, irreproachability. And no matter how hard we try, I mean, it isn't fair. Everything that should give us happiness turns to ashes in our mouth. Even that which we had is taken from us.

And we build our wall with greater effort and determination. And the happiness of others is a scourge to our backs and we try harder and develop a core of anger beneath our shell of success. And it rankles that they can do it so easily while I'm struggling here on all fronts trying to keep it all together. How dare they? I'm as good as any of you! Better! I'm the one who's putting in all the effort and what thanks do I get? And we become lonely and angry and hurt and we turn our backs on them and decide to show them. We take on a quiet determination to beat them hollow and outdo them on every front.

If this describes you, as it once described me, I may have something of value for you from my own story. It seems to me that our life is a battle between love and fear, good and evil, and that our purpose here is to find happiness and contentment. Our fearful human nature would have us build walls that exclude others and elevate us by repressing others. This is a lonely and destructive thing to do. There is a better way. We can have it all and we can have it now, but we need to acknowledge that there is a force of creation, there is a power outside of ourselves which every race and culture on earth acknowledges, however shyly in our Western minds, as God.

This supernatural power, this invisible force which guides and binds the universe, wants the best for us, wants us to prosper, but wants us to do so by *giving* rather than *getting*. As Zig Ziglar says: "You can have everything you want in life if you'll just help enough other people get what they want." This is tapping into the power of synergy, the universal law of love. In my business, long before I knew what I know now, I published the following mission statement:

1. To build the best business possible.
2. To have fun doing it.
3. To achieve it by empowering others to achieve their goals.

By tapping into the natural synergy of love I was swept up in the current of mutual self-interest and found that business was easy. When everyone is working toward mutual self-interest in an atmosphere of fun, recognition, acceptance and love then we are indeed aiming higher, and we easily hit our target. The opposite emotions of compulsion, coercion, control and suspicion would have had the opposite effect.

To bring out the best in people we have to focus on love, on acceptance, tolerance, patience, coaching, praising and empowerment. And to do this we need to trust. We need to believe that the universe is a good place. We need to believe that there is an unseen power, like gravity or electricity, guiding, directing, accepting, forgiving, coaching, praising and loving us. We get what we give away but we can only give away what we have. If all we have is fear and negativity, that's all we can give and that's all we'll get in return. Love has to come from somewhere. Learn to trust. Learn to listen to your instincts. This is God talking to you. If you focus on self-preservation, staying in control you'll miss it. Instead, focus on floating. Focus on windsurfing across the surface of the planet in dynamic balance with the power of love. Let go and hang on at the same time. Trust in God with all your heart and lean not to your own understanding. In all your ways acknowledge Him and He will make straight your path.

Give for the heck of it. If we give conditionally, focusing on material goals, pretending to love unconditionally we'll always be disappointed. Focus on the Principles of Abundance. Abandon yourself to the healing power of love in the universe. Do it. It works. The more we give to others the more we receive. Give love and it comes back a thousand-fold. *"Whatever you do to the least of these my children, you do unto me."* We're not here to stuff our faces and line our pockets and purses and drawers with gold and jewels. *"For what shall it profit a man if he gain the whole world and lose his soul."* We're here to enjoy life by loving all around us and in the process finding joy and contentment. *"A new law I give to you, that you love one another."* And hopefully in the process find meaning

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and purpose, hope and peace. *"Seek first the kingdom of God and his righteousness and all the rest will be added to you."*

This is what we're here for, to find a connection with the supernatural creative force we call God, not just a mere intellectual assent but a fully surrendered acceptance of our belonging to this mysterious power outside of ourselves. And when we finally have the courage to do this, life will *amaze* us.

Postscript

The stories in this book come from my own experiences and have been the basis of my public speaking engagements. It was easy to write, taking less than a month to complete. The experiences behind it took a thousand times as long to collate and didn't flow easily at all.

We all have our journeys. What I have tried to do in this book is to help you in your journey. We are here to help one another, not trip each other up. I love the story of the '92 Barcelona Special Olympics. In the 100m dash the contestants lined up and at the gun each runner headed with grim determination for the finish line. In the middle of the race one of the runners fell heavily and painfully, and one by one, each runner stopped and returned to aid their winded running mate. And when he was back on his feet, as one, they each joined hands and ran to the finish line, a dead heat. Eight winners.

This is our purpose, and it's my purpose. I am here to be of value to you, to help you reach the finish line a winner. If I can help you, your staff or your organisation to achieve your goals then I will have achieved mine. You can contact me personally on Int'l +61 418 494 194, or by writing to: George Parry, Locked Bag 2050, Newcastle 2300 NSW Australia

Email me at: george@georgeparry.com.au

The Ultimate Wealth Secret

Okay, you've been enormously patient with me. I'm now going to reveal the secret to unlimited wealth that the Internet provides you. This secret that I'm about to reveal to you will unlock the door that is presently blocking your journey into great wealth. But there is a problem. To succeed in this journey, you will need to carry with you the information, skills and attitudes I have tried to convey to you in this book. The secret will be revealed to you shortly. But remember, you'll need to have read the book first. It is your treasure map. Before you can enter into the Internet's Ultimate Wealth Secret you will need to pass a quiz to demonstrate that you have read and absorbed the principles in this book. Remember too, that this information is unique. It is simple. It will cost you nothing to implement and it will provide you with incredible wealth almost immediately.

It is unlike anything I have seen on the Internet. There are no banners or MLM or affiliate programs. In fact, there is nothing exploitative or unsavory about it at all. I spent four months searching the Net before I hit upon this concept. I must tell you, I hate the carpetbaggers and con-men infesting the Net with their multi-level, smoke and mirrors tricks. I've searched for months and been ripped off, cheated and disillusioned and was at the point of giving up, fed up with the greed and cynicism of the sharks that cruise the Net tearing chunks off unwitting victims when this concept struck me. It is simply a technique I have discovered to tap into the natural synergy, love and curiosity of the Internet and its surfers.

When I explain this technique you'll say to yourself: "Oh, yes. Why didn't I think of that? Why hasn't anyone thought of that before? It's so obvious, so simple." And of course the reason nobody thought of it is they were focused on greed. Almost all of the four million websites focus on greed and self-interest. The Ultimate Wealth Secret, which I am about to tell you is focused on giving, rather than getting, on love rather than fear. The Ultimate Wealth Secret puts this philosophy to the test. And do you know what? It works! Far better than anyone could imagine.

This secret has never been revealed before and to my knowledge, it has never been implemented before. But I can tell you, it works. Achieving great wealth is not for the faint-hearted or the dilettante. I do not cast my pearls of wisdom willy-nilly. What I'm about to tell you next will allow you to make your first million dollars almost immediately. Don't believe me? You may not be ready to take this challenge. If you have read to here and your curiosity and courage are still intact you may now be ready to take the leap into the Internet's Ultimate Wealth Secret at:

<http://www.georgeparry.com.au/ultimatesecret>

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