

Master of Recessionary Income

Session #8

June 16, 2009

JODY: Good evening, ladies and gentlemen, and welcome to your Masters of Recessionary Income Session #8 teleconference, with your host, Spike Humer. So you may begin.

SPIKE: Well, thank you very much, Jody. I appreciate the introduction. Well, you may notice that it's just me this time, and last time it was just Jay. Last week my son was graduating from high school, so Jay was kind enough to pick up the slack, and to carry on without me.

I will tell you that today Jay is on vacation, so the call's just going to be with me. That's the bad news. The good news is that this call does not count towards your fulfillment of the program, so you actually get an extra call. Today's call also marks the start of the transition in the program, where the first seven calls that we've had up to this point really have been focused on content and information, strategies, and getting you really kind of the background of what Jay has done, and given you some tools that are necessary for you to go out and start creating recessionary income opportunities for yourself.

Well, today's call actually marks the transition where we want you to start moving from knowledge into action, and start translating information into results. So what we're going to be doing today is really kind of a scenario-based interactive call. The entire call will be interactive with me. We will spend a little bit of time on the homework, the venture marketing things, but we're not going to spend as much time on feedback from the homework because I'm going to give you the opportunity to kind of let me know where you are; to pose scenarios that you may be working on, that you have worked on, or that you're contemplating working on so that I can give you some feedback, maybe some support and direction and guidance on how to best pursue that opportunity.

There'll also be an opportunity for you to pose questions. The questions could be about anything that we've covered up to this point, but also, what's different in this call as opposed to previous calls, you can also ask questions about possible scenarios or gaps that you may have in terms of your understanding of how you would apply some of the information that you've learned. Whereas in the past we've just kind of talked about the information and the material, now you can actually get into real life, or hypothetical, or scenarios that you may be thinking about pursuing, or that you might have already started. So you'll get almost like mini-consultations on your particular scenario.

And as we move forward into the program, more and more of the information will be applied to specific situations, because the assignment that I'll give you tonight is to actually start framing out your first recessionary income opportunity that you see, and it may be something that you're already pursuing, because a number of people have described some of the opportunities that they've pursued, and some of the deals that they've put together. And if you happen to be in that category, that's fine, because what you'll be able to do is seek out information on the next steps, or if you're looking to expand that opportunity.

So really, tonight's call 1) is a bonus call; 2) is completely interactive; 3) we're not going to spend as much time on the homework; and 4) you really have the opportunity to ask questions about anything. It could be materials, scenarios, things that you've encountered, or insights or breakthroughs that you've had.

I will spend just a couple of minutes, if there's anyone that volunteers for insights on the homework, you'll be able to share that, and I'll call for that in just a moment. What I won't be doing, which is different than our other calls, is that I won't be picking volunteers. So if you have a scenario, great. If you have an insight, that's fabulous. If you have a question, that's wonderful, and I'll be happy to take all those things on.

So we'll go as long as we have active participation on the group, and on the call up to the 90-minute mark. So it's really up to you in terms of how you want to use the time, and what's going to give you the most value, and I'll do my absolute best to bring that value to you.

So Jody, if you would, if you could just instruct everyone how they would get into the queue in just a moment. What I'd like, if you have an insight about the homework that you think is particularly relevant, share it, if you will. If you think the insight would have value for the rest of the participants, I would love you to share that insight with them, and if you don't, then that's OK, and we'll move on as soon as we've taken care of everyone who's volunteered an insight. So Jody, if you would, will you instruct them how to get into the queue?

JODY: Thank you. In order to get into the queue, you will need to press the number "1". Your question will be queued in the order that they are received. If your question is answered, or you wish to be removed from the queue, please press the number "1" again. Once again, if you do have a question, please press the "1" on your touch tone phone.

SPIKE: And the switchboard is lighting up like crazy!

JODY: Yes, it is. Are you ready for the first question?

SPIKE: Yes.

JODY: Our first question is from Lance. Please go ahead.

SPIKE: Hi, Lance. What's your insight so far?

LANCE: Hey, Spike. I've actually, I've had two. One came from the last call, where actually Barbara spoke, and Jay --- I have an existing list of subscribers, and I've been very keen on selling them my stuff. And I came to realize that some portion of them buy my stuff, but a large portion have not bought very much of anything from me, so I need to go out and find other product, other people's product to present to them, and so we actually started doing that, and we got some good results with that.

And the other thing I've done, the other insight... Actually, I read Jay's book since our last call that just came out.

SPIKE: Oh, good.

LANCE: And it was really good, and one of the things that struck me in there, you talked about breaking your constraints. And actually, he gives credit to Rich Scheffren.

SPIKE: Yup.

LANCE: ...About identifying the constraints in your business, and eliminating those constraints.

SPIKE: Yup.

LANCE: And that hit me right between the eyes because I've identified the constraint is me.

SPIKE: [LAUGHS]

LANCE: And getting more off of my desk, and so now since then I've actually just over the weekend when I read this book kind of made a list of high-punch-listed items and designated them to staff. And one of those, of course, high-priority items is I've hired a person, and one of her top priorities is, go find us more product, affiliate products and JVs to be doing to sell into our list.

SPIKE: Yup. Well, you know, just two comments and a suggestion for you, Lance... A comment on the first thing: I actually have a colleague of mine who sent me an e-mail just literally, like an hour ago, who has a coaching program. And he's struggling a little bit because he's getting some cancellations. Some of it's the economy, some of it's other things.

But one of the things that I encouraged him to do is exactly what Jay shared with Barbara, and that is not only find products because you can fill in some of the gaps in terms of needs and opportunities, but one of the things that I encouraged him to do is also

try to find like a product that is not directly competitive, but is similar, but it is at a much higher price point. Because sometimes the contrast works in two ways: 1) Sometimes people will equate a higher price point with increased value, which is great if you're an affiliate. But also, sometimes it makes your product look more like a bargain, and in contrast, it makes it seem a lot less inexpensive, and in many cases, increases the perceived value of the product that you're offering.

So it can be used not only just from a revenue and value creation standpoint, but having other products, if you're selective about it, can also work really, really well in terms of price positioning.

The other thing is that if you identify the right products, a lot of times people will associate you with those products, and if you identify products that people that have prestige, visibility, presence, or high awareness, and you're able to access those products to your list, people not only equate the value that they receive through you; they also equate or associate you with that person. So it's also a great positioning tool from a market posture standpoint.

So there's a whole host of reasons why you want to consider that, but I would also ask that you consider it from a variety of positions, and not just from a sales opportunity. But if you select the right products, it can do a lot of things on a strategic level for you.

LANCE: Oh, that's a very interesting perspective. Yeah, excellent, because... actually, I'm kind of at the other problem. My entry level price point is \$697. And now we've been taking some tips out of the venture marketing series, and we've done payment plans, and they work great. But now, I just --- I wrote a \$97 product, and just through an e-mail, and got people to buy that had never bought anything from us before. So there's that untapped segment of my market as well.

SPIKE: Well, there's a comment that I want to make on the second insight that you had, and then I have a suggestion for you, a comment on the second that you had about constraints... You know, when Rich came up with that report, and he has a report called "The Entrepreneurial Emergency," and if anybody e-mails me, I'll be happy to send it to you. And it was based on his study of a book that was written by a guy named Eliyahu Goldratt back in the 70's, and it was called *The Theory of Constraints*. And it had to do with manufacturing processes, and process control, and efficiencies, and throughput, and all those types of things, and it was really, really big in the 70's and early 80's. In fact, it revolutionized my thinking about manufacturing and process engineering.

And Rich was bright enough to take that and apply it to not just manufacturing, but also, really, the whole life of an entrepreneur. So if anyone on the call hasn't read that, if you'd like access to it, just shoot me an e-mail and I'll get a report sent over to you. But also, Jay did a nice job of laying it out in his book, and I think that's a great application to it as well.

Now, the suggestion that I have for you, Lance... If you shoot me an e-mail, and shoot it to me directly in terms of the makeup of your list, I'll see if I can give you some suggestions of maybe some products that you might want to pursue, or maybe some people that might have some things that would be of value to your audience. And I'll leave it up to you whether you decide to do it or not, but because we work with literally dozens and dozens and dozens of gurus, and marketers, and product providers, and all those types of things, I might be able to help your person out a bit. I can't invest hours in it, but if I can come up with something off the top of my head, I'll be happy to do it.

And then the other thing that I would share with you just as a suggestion, Lance, because I've seen this happen sometimes... When people have a moderately or a high-priced product, you have to be a little bit careful if you take your own product and you lower the price too much, because sometimes what'll happen is it'll undercut the value proposition or the price point that you have for something else.

And Jay's a great example of this. If you ever look at Jay's products, he has very, very few products that he sells at a really low price. And if he ever does, he's got a very strong rationale in terms of the reason why he's doing it. And you have to be careful with positioning, that you don't all of a sudden cheapen yourself or lower the value perception of your product or service by offering something on a lower price basis.

LANCE: OK, that's a very good point. OK. Well, thanks, I'll send you an e-mail.

SPIKE: Thanks. I appreciate your going first with the insight. Who do we have next, Jody?

JODY: Our next question is from Sara. Please go ahead.

SPIKE: Hi, Sara. How are you?

SARA: Hi, Spike. I'm very blessed. How are you?

SPIKE: I'm great. Thanks for asking.

SARA: Well, I am the type of person, for whatever reason, people love to talk. And so I still get the best response when I simply ask questions, and more questions, and more questions, and let them do all the talking, even if I think I know more than they do about that particular subject. I always... And one of the gentlemen who absolutely raved about you many times from the Power Partnering group, and he just said how he made sure that he asked those questions, and he has them fill out a questionnaire like Jay Abraham does.

SPIKE: Mm hm.

SARA: So that --- you know, every time I think I know something and I just want to go in there and talk, I very quickly feel, because I'm intuitive, that I've just bored them to death. And then I shut up, and I let them talk, and they think I'm wonderful. And so that is so important, it's so important, to let them talk and ask their questions.

SPIKE: No, yeah, it's a great insight, Sara. You know, it's kind of a rule of thumb... And I've done a lot of training in negotiation, and persuasion, and communication on all levels, both for individuals, corporations and small businesses. And one of the things that I've kind of used as a rule of thumb in my teachings, my trainings, and my own applications is really, it should be almost kind of a two to one ratio of where you're asking twice as many questions as you're making comments in the early stages, because 1) you don't know what you don't know; 2) a lot of times people want to be able to express their concerns, opportunities, or maybe let you know what they've already done, and it's more expedient if you can gather that information.

But also, I think it helps develop trust, because it gives you a position of intent and interest where you really have a sincere interest in knowing about them, what their challenges, what their hopes, what their fears, what their desires, what their concerns are. And if you don't take the time to ask those questions up front, a lot of times people either assume that you don't care, or they assume that you don't know enough to ask.

So if you kind of keep that in mind, at least in the early stages of discussions when you're proposing something, or you're exploring something with someone, ask twice as many questions as you make comments. I think it'll serve you well.

SARA: Yes, thank you very much.

SPIKE: Thanks. Who do we have next?

JODY: Our next question is from Pierre. Please go ahead.

SPIKE: Hi, Pierre. How are you?

PIERRE: Hello, Spike. How are you doing?

SPIKE: I'm doing great. Thanks for asking.

PIERRE: Good. My question, or insight and questions both... I was very surprised how easily, when I used some of the techniques that I've learned that businesses respond.

SPIKE: Mm hm.

PIERRE: I was meeting with a business person and asked him if I could get him \$50,000 of additional profit, would he be interested in splitting half of that with me? And he thought about it for just a quick two seconds and said yes.

SPIKE: Mm hm.

PIERRE: So that just opened up a door for me in the future in terms of working with him in some kind of fashion.

SPIKE: Yup.

PIERRE: So I just wanted to relay that to you.

SPIKE: Well, congratulations, Pierre, and I applaud you for actually going out and asking the question. I was on a call earlier today with a group of people, and a number of people have done that exercise for another program that Jay and I are doing, and I would say since I've been working with Jay I've probably had a couple hundred people that have actually gone out and done that exercise, and I can't think of more than a half a dozen that came back and said that the majority of the people didn't say yes. Almost everybody that's ever done that by far, the vast majority of the people that they've posed that question to, whether it's 20%, 30%, 50%, or whatever they've happened to position it at, the vast majority of business owners will say yes that they're at least open to the possibility. So I'm glad you did it.

PIERRE: Great.

SPIKE: So you also had a question.

PIERRE: Yes, yes. And also, I wanted to ask this: I was at a bowling center, and I noticed, I was sitting there with the owner, and I noticed he may have 40 lanes, and maybe 10 of them didn't have anyone bowling. And I told him, would he be interested in trading those lanes that are sitting there unoccupied in a trade barter situation, and I gave him an example, to pay his electric bill, or purchase product, or whatever. And he said certainly. So he's in the process now of determining the parameters to work with me in a trade barter relationship.

SPIKE: Mm hm.

PIERRE: And my question is, what would I charge? How would I charge, or go about getting compensation for my services in that situation?

SPIKE: Well, there are a couple of things, Pierre, but first, let me just make a comment on one thing that you said. Be careful, like if you say things like "electricity." Because generally, utility companies, because they're monopolies, don't trade. So you want to make sure that you are proposing that they have the potential to trade something for something that you might be able to access or make available.

But there's also another positioning thing for trade, and that is if someone comes there specifically to bowl and they wouldn't have bowled otherwise, there's opportunities

for concessions, where they buy meals, they buy beer, they rent shoes... But on top of that, most people don't bowl alone, so there's lots of ways that they can trade. 1) If somebody comes and they bring someone who's never been there, chances are there's going to be an opportunity for them to come back if they had a good experience. So a lot of times doing a trade transaction will lead to a cash transaction later on, and it's important that you educate businesses about that --- that it's not about just doing a trade. It's about generating more business.

The second thing is how you get compensated is a variety of ways. For instance, if I were sitting down with the bowling owner, I would say, "OK, well there's certain nights that you're busy because you have leagues, or there may be certain days that you're busy because you have birthday parties.

But there's going to be certain nights when you have those ten lanes, or fifteen lanes that are open. And one of the things that you can do is you can print up certificates, trade certificates that entitles people to games during certain hours, and you trade those, and that way you make sure that you're not taking away from cash business.

Now, how do you get compensated? Well, you can get compensated a cash fee for setting up the transaction, where they pay you 5 or 10% in cash. 2) They can compensate you in trade certificates which you can use to trade other people for expenses that you're incurring in your own business. 3) You can use some of those trade certificates. If you're a small business owner and you have employees, you can use it as a way to recognize, reward, and incentivize your employees and do team building. 4) You can take some of those certificates and trade to other business owners, or if you have the ability you can sell them... And I would discourage you in doing this in this particular situation, but it's a way you can get compensated when you do a trade transaction, that you take a percentage of those certificates as your compensation, and you sell them at a discount for cash.

Now, the reason why I would discourage you from doing that in that particular situation is because they have kind of a fixed price, and if you start discounting their certificates in the market, in many cases it will actually undermine their business. If they were giving you a product like a television or something like that, and you were taking those and selling them into a market where they wouldn't otherwise be drawing customers or clients, now it doesn't affect their business one way or the other, because it doesn't affect their price points. But because they have a physical delivery at their facility, and they can't remotely sell it in Michigan if you happen to be in Atlanta, you want to be careful about taking those certificates and selling them for cash.

But there's a variety of ways you can do it. You can be paid as a consultant. You can be paid a fee on the transaction. You can be paid in certificates that you can either trade for other things, or you can be paid in certificates where you take those and convert them for cash.

PIERRE: OK, and so you feel 5 to 10% in cash is adequate.

SPIKE: Well, for the transaction, and I'll tell you why: If you look in your area, and virtually every major metropolitan city in the country, and almost every state in the country has a trade exchange. If you look at trade exchanges, generally what they do is they charge between 5 and 10% of the transaction. It could be as high as 15%, but generally they'll charge 5 or 10% of the transaction either on the buy, or the sell, or on both sides of the transaction. So if you go much above that, 1) they don't have any reason to do it with you; and 2) for some businesses, depending on their margins, if it's more than that they can't afford it.

PIERRE: Right. Makes sense.

SPIKE: OK? Thanks, Pierre.

PIERRE: OK. Thank you.

SPIKE: Who do we have next, Jody?

JODY: Our next question is from Adrian. Please go ahead.

ADRIAN: Hello, Jay. Nice to speak with you. Hello? Hello? Hello? Hmm... Hello, hello?

JODY: Hello, Spike, are you still there?

ADRIAN: Yes, hello?

SPIKE: We'll pick it up later, OK? Jody?

JODY: Yes, I re-muted him.

SPIKE: OK, thank you. And I couldn't catch whose name it was. Who was it?

JODY: Adrian.

SPIKE: OK. Adrian, for whatever reason, we could hear you, but you couldn't hear me, so if you want to try later on, we'll see if we can pick you up. It sounded like you were in the car with the windows down. Who do we have next, Jody?

JODY: We actually have no further questions at this time.

SPIKE: All right. Well, now, we'll actually shift it a bit. And I appreciate the insights, and I appreciate the questions so far.

Now, what I'd like you to do is take about two minutes, and we'll have Jody start the timer here in just a second. I want you to take about two minutes and think about all

of the opportunities that you've seen. It could be an opportunity that you've pursued like Pierre, where you've actually approached someone. Or it could be a scenario that you're thinking about approaching, because you think there's either an avenue or an opportunity for you to create either a windfall, which would be a one-time, immediate-type transaction, or something that you could create that would be more sustainable.

But again, because we're looking at quick wins and immediate impact areas that hopefully you can create some income and value for you and your partners. I want you to think about a situation either that you're pursuing now, or think about a situation that you could be pursuing, and they could be completely hypothetical, but based on everything that you've learned, between the barter, and joint ventures, and things that we've talked about in terms of headline testing, and things that you've read about with the venture marketing, and all the things that we went through with the Power Partnering or Partner or Perish.

All of the information that we've covered up to this point, hopefully you've gotten some ideas, if you haven't got some applications already. So I'd like you to take about two minutes, and think about a scenario either that you're working on, or that you think you might like to work on, or that you think just might be a good idea. And at the end of two minutes I'm going to ask again for volunteers, and I'll give you the opportunity to kind of throw out the scenario.

I'd like to ask you to describe to me what the scenario is, who you think the major people are. You don't have to be specific about the names, but Company A and Company B... what you think the transaction may be between you, and the business and/or businesses, if they happen to be together... what you think the value proposition, where the value comes in in terms of what you're doing... and how you might pursue it --- what you think the strategies you might engage, whether it be barter, joint venturing referral systems, or other things that we've covered up to this point. And then if you have a question or you'd like some insights or feedback on the scenario, I'll give you my best-reasoned advice, and I'll give you the benefit of whatever insights, wisdom or strategies that I can offer you.

So Jody, if you would, start a timer, and at the end of two minutes let everyone know that two minutes is up, and then reinstruct them again how to get into the queue if they'd like to volunteer, OK?

JODY: Will do.

SPIKE: Thanks.

JODY: OK, the two minutes are now up. To get back into the queue, please press the "1" on your touch tone phone.

SPIKE: And again, we have a mad rush to the switchboard, correct?

JODY: Yes.

SPIKE: Who do we have first?

JODY: Our first caller is Sara. Please go ahead.

SPIKE: Hi, Sara. How are you? Welcome back.

SARA: Hello. Thank you so much. Spike, this --- we started to discuss this once before. I want to purchase a biofeedback machine, and Jay gave me the idea I could go out there and find a used one. To cut back to the short based on my particular skill and skill level, of course, there happens to be a very specific model, just like that printer that may or may not be the only printer that prints the Avery papers the way the guy needs them to be printed.

Anyway, I have to buy a particular model. It's made, brand new, but it's not made in bulk. In other words, I need \$20,000 cash, and I need it tomorrow because anybody at my level will want this machine, and so there aren't that many. It's all supply and demand.

So now I need to come up with \$20,000 cash, all in cash, tomorrow, and I was thinking I could go to doctors, but MDs, or always other alternative health practitioners. And then I couldn't figure out the scenario, because I started to talk to MDs, and I got the impression they were just going to go online. They wouldn't get my particular biofeedback machine, but there are a few others. They get one, get in the office, get a clerk to run it if it's a simple machine, not my level, and they'd make more money, or the same amount of money. I couldn't figure out how to get myself into a joint venture where it would be beneficial for both of us when I wouldn't counsel or teach them. They can go out and buy a very simple version of what I do, get a clerk to run it, and make maybe an extra thousand dollars a day, or whatever.

SPIKE: Right. Well, there's a whole bunch of things that I would offer you, Sara.

SARA: Yes.

SPIKE: First and foremost, when you go in... or even before you go in, think about --- and this is a question that I always instruct people to ask themselves this, and actually ask it on paper. Who do I know that would stand to benefit by my success? Now, in some cases it could be the doctors, but in many cases it may not be because they may see what you're offering either as competition, or a distraction, or counter to their practice.

But there has to be other people out there who would be more open to that. And it could be a psychologist. It could be some other type of therapy where if someone could have the ability to recognize their biorhythms and those types of things, that they could

reduce their stress. It could be an employer. It could be an executive. It could be people who are executive coaches. It expands the whole horizon from just practitioners, #1.

#2 is that when you go to someone and you say, “I need \$20,000, and here’s how it can benefit you,” sometimes that is counterproductive to what it is that you’re trying to accomplish. And one of the things that you have to identify is that how can you create a multiple of the \$20,000 of value for the people that you’re approaching?

So for instance, if you went to a physician and said, “Look, there’s probably some percentage of your patients that are being treated for stress,” or whatever it is. And you have to be able to quantify it for them, saying, “OK, well, look, these are people that either are going to someone else that could be coming to you, or people who are going untreated, and yet could be benefitted by your practice, and your practice could be benefitted by.”

And in some cases by positioning it differently that there’s a financial opportunity out there for them that’s going than realized, and you get them to quantify it, saying, “Well, what would it be worth to you if you had 500 patients, or you had 200 patients, or you had 100 patients who were coming to you for this service?” And again, a physician may not be the best joint venture partner. But you want to make sure that you can quantify it in terms of an ROI, their money, their time, their capacity and of their attention. And if you just propose it from a financial standpoint, you may not be able to get their interest or attention.

The second thing that I would say, and this is the harsh reality of life, sometimes where you want a joint venture, there just isn’t one. And sometimes, with the person that you want it with, it just isn’t there. And sometimes it’s a numbers game. You might have to go through 50 practitioners, or 100 practitioners before you find somebody who’s open to it.

But so much of it Sara --- and we’ll actually get into this for the homework --- so much of it is about positioning. How will it benefit the other person, and how can their risk, or their investment have a multiple in terms of return so that when they see it, they actually see it as an investment, and not as a risk or a cost.

SARA: Right. Right, right, right, right, right. Yes, and oh, I’m hearing loud and clear, is I have to open up my mind and look into sports coaches, high end sports coaches, physical therapists, open up the people that I’m approaching so I go into arenas where it would be a plus/plus situation, and not a threat.

SPIKE: Yeah, and that’s a great positioning, Sara, and the fact that you came up with, like, sports coaches, I think they would be 1) more receptive, but also if they have high paying clients, or clients who were high earners, if you can offer them something that allows them to be more effective with their clients, now all of a sudden you become a gift, and not a risk.

SARA: And they don't want to risk their time with somebody who is a rinky-dinky version of myself, and they don't want to spend the time doing it themselves. So then all of a sudden I look good.

SPIKE: Yup, there you go.

SARA: OK, I get the idea. Thank you so much.

SPIKE: Thanks, Sara. Who do we have next, Jody?

JODY: We have Lance. Please go ahead.

SPIKE: Hi, Lance. Welcome back.

LANCE: Hey, thanks Spike. Yeah, I've had an idea we're actually pursuing, and that is, one of the things we've been doing in response to the economy is we've moved away from our live seminars and gone to what I call "virtual boot camps" --- virtual seminars, which are webinar based over several weeks nationwide, and we've had quite a good response to that. And of course, back to the constraints, I'm the one teaching them now, and that obviously limits how fast we can grow.

So I was driving down the Interstate here in Houston a few weeks ago and noticed that one of the community colleges had a big marquee sign up that said, "8-week program on entrepreneurship." I said, "Well, why don't I go take that program with that instructor, and approach him and say, 'Well, you're just teaching it locally. Let's take your program, and through my ability to do these virtual boot camps, I'll go promote it. I'll fill it, and you give your content nationwide through this virtual boot camp format.'"

SPIKE: Yup.

LANCE: And I think it'd be a real marketing arbitrage play, because I think frankly people would be more perceived value doing it from their home, where you actually get a higher price point on it, and hire these different coaches or instructors to run multiple programs through this virtual boot camp format.

SPIKE: Yup. No, I like the strategy. How can I help you, or where do you see the gaps that I could assist you?

LANCE: Well, we've been approaching instructors now at different community colleges, different adult learning type instructors, just to gauge your interest. And initially we're getting some kind of hesitancy. I think some of them -- the ones that work for the community colleges I think feel maybe a conflict of interest, and don't want to risk losing their job. That's kind of what we've got today. And so now, we need to find some more free lance oriented...

SPIKE: Well, a couple things, Lance. 1) You're going to move from a constraint to a potential dilution, if I understood you correctly, if you're not cognizant of one thing: I would identify the curriculum one time or two times, and then only identify people that I could train in that curriculum, and I'll tell you why:

If you go to a lot of different people that are trained in different schools of thought, or different concepts, or different approaches, they may bring a lot of content and a lot of schools of thought, but they may confuse and dilute your marketplace.

If you can find a content, you can teach people how to teach it. The National Speakers Association does it. A lot of the coaching organizations that are out there do it all the time. I can think of a half dozen, probably a dozen organizations that offer coaching that is not their own coaching, that they either sourced it, white labeled it, or they developed it, and they hire coaches and teach them how to deliver it.

So I think the presenters are going to be less of a constraint for you than finding the right curriculum. It's great if you can find somebody who already has the curriculum so you don't have to develop it, then get the rights to see if you can license that curriculum to other instructors and pay them a royalty, and now your constraint is satisfied in terms of the content. All you have to do is find people that are capable of learning it, and capable of teaching it.

LANCE: OK, that's interesting. So, OK, so let me play this back. So find the curriculum that matches my philosophies, my other programs, teaching their consistency. Either create it, or ideally, find it and license it, and then go find instructors that can give that content.

SPIKE: Yeah. There are two companies that I can share with you, and I don't want to mention them on the call, because our calls are recorded and they'll get posted, and they're both fine organizations. And I can tell you that what they've done --- one of them has turned it into a franchise model, one of them has turned it into an independent representative training model, where they develop content. Some of it they sourced, some of it they created, and some of it they evolved. And what they did is that they basically bring people in, the one who's a franchise, they bring people in. They teach them how to teach it, and then they take it and they get a royalty for the coaches and for the franchisees, and using it and selling it.

Now, the thing that you have is a great advantage, is that you already have distribution. So if you went to someone and said, "You know, you have great content. What I'd like to do is to do two things: 1) I'd like to take your content and have you deliver it through my network and do a revenue share with you; and 2) what I'd like to do is expand that, and I'd like to license the content from you to do it into other markets through other instructors, and I would pay you a royalty in order to do that."

Now all of a sudden you have control of the content. You're not limited by the instructors, and you're giving them something they don't have that every business needs, and that's access to a market.

LANCE: Right. Great, great. All right, cool. All right, if... In my e-mail, the other two companies, are you able to share those?

SPIKE: Yeah, I'll share them with you. I'll just ask you to keep it in confidence, because I don't like to... I'm not recommending them. I'm just making you aware of them, and I'll just show you some contrast and different models that are out there that you may want to consider. And both these models have been relatively successful.

In fact, I'll give you a few examples so that you can kind of go on their websites, and poke around and see what they do. And they may or may not be things you want to model, but I just want to give you some perspective on different models that are out there that might help you, but also keep you from creating a dilution of having a bunch of different coaches teaching a bunch of platforms to different people, because it's difficult to control that.

LANCE: That's an excellent point. OK.

SPIKE: All right? Thanks, Lance.

LANCE: Thank you.

SPIKE: Who do we have next, Jody?

JODY: Our next caller is Patrick. Please go ahead.

SPIKE: Hi, Patrick. How are you?

PATRICK: Hi, Spike. I actually have an actual scenario that I'm looking forward to. I ran into a friend of mine this past weekend who owns a Mexican restaurant in the area, and talking with him about his business, I asked him how his business was going, and he said, well, they're struggling like a lot of businesses in this economy. And I said, "Well, by the way, what do you do to generate business?" And he said, "Well, basically we do referrals like most people."

So after talking with him for a few minutes I asked him, "Well, it just so happens that I'm taking a class to learn about some techniques of how to take a look at a business and potentially increase their profits and improve their success rate with it. If you had some time, would you be interested in sitting down with me and letting me throw some ideas your way?" He said, "Sure."

So that would be my next step, is to sit down with him and just discuss a few of the things that I've learned in the class so far. But my question is, I have some ideas of

how I would like to approach it, but from your perspective, how would you recommend I go into this first discussion with him?

SPIKE: OK. Well, and it's a great question, and it's common, and not just --- the scenario's not common, but it's not uncommon either. But the issue, or element, or area is a very common one. Let me start from the very, very beginning, and I'll give you a number of strategies that not only will work, I think, or help you, but also will help other people.

The very first thing that you want to do when you sit down with someone... and this is certainly not a criticism. It's just feedback. The next time you sit down with someone, don't tell them that you want to share some ideas with them, because people don't value ideas for two reasons:

When you bring them an idea, the first thing you do is you bring them a problem, unless you have a solution that goes behind it. 2) Most people, when you say, "I have an idea," they figure out, "Well, sooner or later I would have figured out that idea on my own." And there's not really any way to value an idea.

So what you want to do is that, "I want to introduce some strategies. I want to share with you some advice. I want to give you some input," or something like that --- something that is personalized to you, so you want to make sure that you position it from a value standpoint, that you're not just sitting there brainstorming, OK? And it also will help you from a positioning standpoint with the marketplace, because you're not just an idea generator. You're actually a strategy implementer, or a strategist, or a consultant. OK? So you want to make sure from the very beginning that you let them understand that this is something that you do as part of your profession. And that's really just information going forward.

The next thing that you want to do is that when you sit down with them, obviously find out what they're doing and what they're not doing. But ask this question, because I can tell you --- and I've done this with lots and lots of businesses, both at programs, and in consultations, and in my work when I've worked as a consultant, is that if you asked them, "What does it cost you to get someone to come into your business?" In most cases a business just isn't going to know. And then the second question you ask them, "OK, what type of advertising are you doing, whether it's Yellow Pages or whatever, and how much of your business comes from that advertising?" Most businesses don't know.

And if you can get them to quantify that, 1) most businesses will be surprised, and 2) it gives you an idea of what your benchmark is in terms of what they're willing to or can afford to spend, in terms of getting someone else coming into the business.

But the other thing that I would say is, and I think you landed on this, if they're doing referrals, if there's something you can do to enhance that, that's great. But if there are other strategies that you can use that would help them build their business, by all

means. You want to have a toolbox, or at least a number of strategies that you may employ, and let me give you an example.

If you look at most of the major airlines that have rewards programs where certain restaurants that participate, if you go there and you eat, you'll get miles on your airline account. So there's an example of where a large company is using something that they have to drive business to a small business, and a small business can participate in that, and I'm sure there's a fee associated with doing that. But you want to have examples of where what you're suggesting has been validated either in other markets, with other businesses, with other industries, or with other companies. So I would make sure that you're familiar with a lot of those types of loyalty and reward programs out there, because they work very, very well for restaurants, especially in tough times. Given a choice between a restaurant who serves the same food, as long as all things are equal, if I can get miles, or some type of loyalty or reward, by all means, I'll do it.

There's also other businesses that will participate in online reservation services. Now, they do it as a convenience for the restaurant or consumer, but a lot of the online reservations services will allow you to accumulate points that you can then spend either at that restaurant or other restaurants.

So make sure that you have a variety of things in mind when you go in there, but what I would say is that the very first thing that you do when you sit down, you want to find out what they're doing, find out what's working, what's not working. You want to find out what they would like to be doing, but aren't doing. And when I say, "What they would like to be doing but aren't doing," is that, "Well, I don't have the time to do this," or "I don't have the energy," or "I'm not sure how to do it." That's your opportunity, right there. When someone says, "You know, I should be doing this, or I would be doing this, if only..." That's your bridge, right there, or that's the gap that you have to bridge. And if you can bridge that by saying, "You know, I know someone who does this. I have a solution. I know where there's a tool that will do that for you, or I'm willing to do it." That's your opportunity to create value for your prospective client. And then it's just a question of what is it worth to them, and what is it worth to you, and where can you meet it so that it makes good sense for you and them?

PATRICK: OK, yeah. That's really good. In fact, when you're talking about different loyalty programs or different strategies, I was just at Applebees tonight with my family, and sitting there, and we were there because a couple of people in our family had a birthday. Well, you buy all this food and they give you a \$.50 ice cream, and they sing to you, "It's Your Birthday." And I noticed that while we were there, it seemed like 75% of the people that were there were having a birthday sung to them. And I thought, "Well, wow, that's something that seems to be really working for this restaurant --- that they have this little gimmick to bring people in on their birthday, and they have a lot of other side sales because of that."

SPIKE: Yeah. And it's important, and I think that's a great observation, because three years ago when the economy was strong, I think people were spending money more

for experience. And now, people are spending money more from a value standpoint, and I'll give you an example.

Where I live there's a sushi restaurant literally every three quarters of a mile, and my wife and I and kids love to eat sushi. And there's two sushi restaurants. I've eaten at both of them, and I eat at both of them pretty regularly. But --- and the food, and the price, and the service, and everything --- décor, are all very comparable. But one has a loyalty program, and every time I go in there I get a discount because I'm kind of a frequent eater there. All things being equal, I'm going to go there even though the other place is just as good. But all things being equal, it's something that separates where I go versus where I don't. So I think --- and restaurants know that, especially Mexican restaurants, or restaurants that are kind of high competition. In California there's millions of Mexican restaurants. In other places there may not be as many, so you want to be cognizant of the competition. But every restaurant is competing against every other restaurant.

PATRICK: Right. Now, one other question: What about in this first meeting, to take some of Jay's questions, I think it was the 37 questionnaire...

SPIKE: Yup.

PATRICK: ... and use some of those questions to 1) understand what he's doing and not doing with his business, but also to educate him and help me to gain credibility with him that I have some understanding of strategies that work.

SPIKE: Well, you know, a couple things. And I'm going to bury the answer a little bit not just for you, but for the other people that are on the call. A lot of times it depends on how close the relationship is with the person. If it's someone that you know, or someone that you've done business with, you can be a little bit more probing with your questions. If it's someone that you just happen to walk in off the street, you might have to be a little bit more sensitive and take some time to get to know them a little bit more before you start asking them probing and penetrating questions about their business.

But the real key is that at the start of a conversation, and I do this regardless of whether it's someone that I know well, or someone I'm just being introduced to, I ask them two questions: 1) What's your greatest opportunity for your business? What is it that you're trying to do in your business, and what is it you're trying to accomplish? And 2) What's your biggest headache? And generally, people will tell me that. "Well, I don't have enough customers," or "I can't keep employees," or whatever.

And right from that point, that's where I start to zero in, because if I can get them to 1) share with me what their opportunity or pain is, and show them that I have a potential way to help them utilize and leverage that opportunity, or solve the biggest pain in their butt, now all of a sudden I have --- if I don't have credibility with them, I have interest from them. And then it's a question of building credibility.

But I will share with you, I think most people that go through programs that I've done with Jay, and most people that I've had go through my own programs, I think sometimes their question of validity or credibility is much greater with themselves than it is with the person across the table for this reason: Most people won't sit down and meet with you unless they feel that there's going to be an opportunity that something good is going to happen, or a problem's going to be solved. So right there, there's a degree of credibility.

The second thing is that the validation that you need really comes from the fact that you're using strategies that you're learning from Jay, or from me, or from a program that other people have had great success with, including Jay using his own strategies.

So if you feel you need that, you can say, "Well, look, I've spent the last 3 ½ months working with a guy who's been the preeminent marketing person on the planet, and I've been studying his materials, studying his information. I'm in a course that he's teaching along with someone else." And you can just lay it out there. And you can't use Jay's name, and you can't go out and say that he's endorsing you. But certainly, the fact that you're taking the course is information that you can utilize.

But I would let the strategies and information kind of bring the credibility. If you ask the right questions, and if you ask them in the right way, that's going to probably bring more credibility than what you need. And the bottom line is, I always let people know that, "Look, I'm sharing advice with you right now on a basis that you can absolutely reject, because it's not costing you anything. The only thing that you're investing is your time, and I'm investing my time, so we're even at this point. And if at any point I start going down a track that you want more information, or you feel you need to have more specific advice, I'd be happy to share with you or talk with you about how we might be able to work together."

And that kind of takes the risk and need for credibility away because your conversation will unveil your credibility.

The second thing that I would offer you there, that when you're talking about getting credibility, credibility only comes into play when you're making recommendations, or you're asking them to make an investment. And if you can position it so that their investment is very low, or their risk is almost nil, credibility isn't as much of a factor because you're not asking them to take a large risk.

PATRICK: OK.

SPIKE: Just a final comment: If I'm going to have brain surgery, you're doggone right I'm going to make sure that the person that's going to open up my head has a lot of credibility with me. If it's someone that I'm having a conversation with over a cup of coffee, and they're asking me a few questions about my business, and it's not intrusive, and I know that they have a sincere desire and interest to help, and I know why

they're there, I'm not going to ask them what university they went to, and where they graduated in their class.

PATRICK: Sure. OK. The only reason I brought that up is because I don't know if he knows my background, but typically... well, not typically, but in the past I've been an engineer, and now...

SPIKE: There you go. And that, one of the things that I would say is that, "Look, my background and my bias is to 1) look at a situation; 2) define what the situation is; 3) create either an opportunity or a solution, and I'd do it in a very systematic way because I'm a trained engineer." Right? And every business --- if it doesn't it should --- operates on some form of a system, and I think to you, that's a great advantage, the fact that you understand systems, structures, efficiencies and effectiveness... And many business owners have no concept of what that is. To you, it may seem secondary, but I think that's a huge leverage spot.

PATRICK: That's very true. I totally agree with that.

SPIKE: Yeah. So just sometimes, just educate them. Just say, "Look, I'm not sharing this with you to brag, but I just want to share with you my background, and why I think it would be a benefit for you, should we choose to work together." And then you can go into your education, your work experience, or whatever else you think is appropriate to give you credibility.

PATRICK: OK, great advice, Jay. Thank you very --- or, Spike. Thank you very much.

SPIKE: Thanks. Who do we have next, Jody?

JODY: Our next caller is Pierre. Please go ahead.

SPIKE: Hi, Pierre. How are you?

PIERRE: Hi, Spike. I noticed that in dealing with a lot of small businesses that they're looking for additional income, just like all of us are looking for additional income. And to take advantage of the government spending that's getting ready to occur, I know someone that has had success in selling to the government. And I approached him about us possibly doing a joint venture to promote seminars on selling to the government. So that's kind of where I'm at in terms of looking at a potential arrangement.

SPIKE: No, it's a good idea. How can I help you, or how can I support you?

PIERRE: Well, you could... What would be the best way to get something like that going?

SPIKE: Well, a couple things: 1) Think back to the things that you need. Obviously, you need to have an audience or a market --- people that are looking to get access to government dollars, or get access to the government marketplace. Who would that be? Well, virtually anybody who has something to offer to the government, whether it be a service, product, or expertise.

The second thing that you need is some demonstration of expertise in the sense that, OK, this person's been able to successfully do this for some period of time, for whatever reason --- luck, experience, a relative who works for the Pentagon, or something like that.

And then 3), you need a way to translate that. OK, how is it that what this person does can be translated to a marketplace so that someone has a high degree or chance of succeeding in doing the same thing? The reality of it is, if one person does it, almost anyone can do it, but the vast majority of the people won't. But you have to be able to have the training, if not designed, at least defined enough that people will see that there's a pretty good chance that that person that you're doing the joint venture with can teach them what he does, and that they can take that and translate it into action and results.

So I would sit down and ask them, OK, specifically, what do you do? If you have the agreement --- and get your agreement in place --- if you have an agreement, all right, we're going to sit down and we're going to go through the systems that you use, and we're going to define it in such a way that we can take that information and turn it into a marketing document, whether it be an e-mail, an advertisement, or a brochure, so that we can make people aware of what it is that you do; how they, too, can do what you do; and what the process would be in order for them to do it, what the cost would be, what the venue would be. Is it a teleseminar? Is it a live seminar? Is it a one-day seminar? A three-day seminar? A two-day seminar with follow-up? But you have to define what the product is before you can take it to the market. You don't necessarily have to have it completely designed, but you at least have to define what it is.

But those would be the first three steps --- get the agreement in place, figure out what the steps or system and expertise would be, and then be able to describe and define it so you can figure out how to market it.

PIERRE: Right.

SPIKE: Does that help?

PIERRE: Yes.

SPIKE: OK, thanks, Lance. Appreciate it.

PIERRE: Thank you.

SPIKE: Oh, Pierre. Sorry. Who do we have next?

JODY: Our next caller is Cherise. Please go ahead.

SPIKE: Hi, Cherise. How are you? Hello? Are you there, Cherise? OK, Jody, do we have someone else?

JODY: Yes, our next caller is Steve. Please go ahead.

SPIKE: Hi, Steve. Welcome back.

STEVE: Hello, Spike. How are you this evening?

SPIKE: I'm fantastic. What about you?

STEVE: I'm doing great, thank you. I have first to say that ever since we started the program, every business that I go into is now an opportunity, and being a small business owner I pretty much know that every small business needs something.

SPIKE: Mm hm.

STEVE: And so as I'm in these businesses, I'm wondering, I'm asking those questions: What are we buying now? What would we buy just before or just after?

SPIKE: Mm hm.

STEVE: And one of the concepts that I came up with and I need a little help on is related to the beauty industry.

SPIKE: Mm hm.

STEVE: And one of the participants, I guess, is a national company whose business model is pretty much a single store, not like you would find them in a department store. But I know sales must be down. And the concept is to have like a mini-kiosk in the different beauty salons, nail salons, those types of things, where we would take like the top 100 items, or 50 items in terms of sales...

SPIKE: Yup.

STEVE: ... and put them there as point of purchase sales. So the question is whose inventory, and how do I approach the national... I'm sure I can work the deal out with the local business owner. But the question I have is they've got a brand equity, and how can I work it out with the national company who's probably looking for... whose sales are down, and probably is looking for other avenues of sales, but don't have a traditional outlet like that. How can I get them to put it on consignment, or how do I take away the risk and have them see it as an investment? Or do I not deal with that side of it, and just figure out a way to purchase it, and... I'm kind of stuck there.

SPIKE: No, no, and it's not an uncommon one. And hopefully, Steve, you'll appreciate my candor in this. There are ways to do it, but I'll tell you, just to be straightforward with you, it's not always easy for a couple of reasons.

One is that when you're dealing with large companies and trying to get them to do something on a local basis, sometimes they see it as too small, or you just can't get access to it. But I'll give you some suggestions:

You want to be able to define for yourself, on paper, what this deal looks like, or what this opportunity looks like. Identify where you see its potential risk. Figure out what you think are the obstacles that have to be overcome. And basically, have a good description of it for yourself, because if you do get to the national company, they're either going to have those questions, in which case you want to try to preempt them, or if they ask them, you need to have thought it through. Otherwise, if you get there, they won't pay serious attention.

The second thing is that you want to look for validity somewhere else. Is there another company either in their industry, or in some other industry that is using something similar to build their business? And it could be anything from phone cards to just about anything that is operated and sold through kiosks.

Three, sometimes it's easier to feed a fish what a fish likes to eat than opposed to what it is that you like to eat, and let me tell you what I mean by that:

If you go to a large company and say, "Hey, I'd like to do a joint venture with you because I think joint ventures are great. I'm learning all about joint ventures," and they don't do joint ventures, they're going to spit it out. Right now if you went to them and said, "You know, I'd like to become one of your distributors." And now all of a sudden you're feeding them something that they like, because they probably have distributors. They probably have sales reps. They probably have independent agents that go out and place product.

And if you got them to look at you, or your associate, or whoever, as someone who's an account manager, or something that they already do in their business and say, "Well, I'd like to do this for you, but there are a couple things that I would like to propose as part of our relationship. 1) I'd like to have the ability to try something different, because I have an access point here that I think could be expanded into other markets.

So now you've addressed the issue of, OK, why should they do it on a local basis if it's not something they can do on a national basis? Well, obviously you need to test it, and being the smart business owner that you are, Mr. Corporate Manager, you want to make sure that it can be validated someplace else. And if it works, it's something that you can scale. And what I'd like to do is have the opportunity to be the person in charge of scaling it, right?

So now you've built in the opportunity for you to become a more significant player in the process. But if you just call them up on the phone and say, "OK, I found the name of the CEO, I found their assistant," and I'm going to call them up and say, Hey, I'd like to come talk to you about a joint venture, about doing something in my town if you're not doing," you're probably not going to get real far with them. But it doesn't mean you should pursue it, and it doesn't mean there aren't ways to do it, but you just have to handle it a little bit more gingerly than you would if you were working with two small businesses on a local basis. Does that help?

STEVE: Very good, very good. I think that helps a lot, actually.

SPIKE: OK.

STEVE: Thanks a lot, Spike.

SPIKE: Thanks, I appreciate it. Who do we have next?

JODY: We have no further callers at this time.

SPIKE: OK. Well, let me just make a couple of comments, #1, about the reason why I did this. 1) With Jay not being here, I wanted to make sure that you didn't miss the opportunity to learn some of the content from Jay that is next stage. 2) I wanted to just have to gauge in terms of where people are with their thinking, and with their questions, and with their scenarios. 3) As I mentioned at the very beginning, this is also really kind of the transition point where we start taking knowledge and turning it into action, and information, and to results. So hopefully, the information and feedback that I gave you tonight will help you with that.

I would also say that for the people that haven't started yet, or who didn't throw out a scenario, go back and listen to tonight's call, because I think you'll find that there are a lot of commonalities in terms of strategies. There's also a lot of commonality in terms of some of the challenges that people face, but there's also a lot of commonalities in terms of how you position things with people. And if I were to offer you one piece of advice from tonight's call, that when you're sitting down and you're thinking about a joint venture opportunity, or thinking about creating a referral system, opportunity with the business, or solving a problem, think about it from their perspective, because they're ultimately the person that you'll be working with.

Now, that doesn't mean that you ignore your own needs. It doesn't mean that you ignore your own situation. But you want to make sure that when you're presenting the opportunity or solution, that you're thinking about it from their perspective if they're the person that's making the decision.

Now, once you get to the point where you have more opportunities, and you know what to handle, you can actually have people who come and do it the other way. For

instance, Jay probably gets exposed to more opportunities than he could ever handle in a lifetime, and he says no to most of them, and the reason being is that he has more deals coming to him than he could possibly handle.

So at some point in time that, too, could happen to you, but in the early stages you want to make sure that you're putting it from the perspective of how the other side can benefit. Don't ignore your own needs. Don't ignore your own desires.

The other lesson or piece of advice, I guess, that I would give you from tonight's call, and also from this point forward, is that you're going to see a lot of opportunities, and a couple of you mentioned tonight that you're seeing opportunities everywhere. It's really, really important, I think, that you want to sit down and take the time to develop a criteria on the types of deals that you want to work with, and the people that you want to work with. The reason for that is that while you're seeing opportunities now, in many cases they're concepts, ideas, or just possibilities. But at some point in time, you are going to be faced with more opportunities than what you can take advantage of, or that perhaps may seem like good ideas, but you want to make sure that the opportunities and relationships that you pursue as a result of this program are ones that are consistent for what you're trying to do as a person and a business owner.

If you remember early on in the course of the program we asked you to fill out an assessment about what it is that you're trying to accomplish and the reasons why. And I would ask that if you haven't visited that for awhile, you go back and re-look at that, because you want to make sure that where you're going with this material and information is taking you closer towards your goal in terms of what you're trying to do as an individual, and as a business owner.

The last thing that I would say regarding criteria... If you don't have a criteria in terms of what deals or opportunities you pursue and the reasons why, you very well could be pursuing an opportunity, and put all your time, energy, relationships, and resources into an opportunity that prevents you from taking advantage of a bigger one, or one that is more consistent with what it is you're trying to accomplish.

If you have a clear criteria, it allows you to evaluate deals on an ongoing basis. Just as I mentioned with the sushi restaurants, all things being equal, I'll choose the one that has a loyalty program because I get a discount and I get a better value. And if you look at your deals, and you look at your opportunities that way, that all things being equal, you're going to choose the one that's more consistent with the criteria, and more consistent with the support of the goals that you're trying to achieve, it makes it much easier to make the decision. So if you haven't visited that for awhile, I'd encourage you to do that.

So let me share with you the homework. And again, I know last week that Jay said that if you were behind on anything, you'd go back and continue to catch up, and I would encourage you to do that if you're not caught up, that you do that. We need to make sure that you're through the joint venture manual, you're through the JV Deal

Finder's calls, the barter stuff... because these are the tools that you're going to apply. There's certainly a lot of other information and material that's available for you on the resource vault, and you can use that, and we will be accessing more of that as we go. But it's more important right now because of where we are in the program that we start to transition into the application portion of it.

So what your homework is for this call is to take a scenario... it could be one that you're pursuing already. It could be one that you're thinking about pursuing, or it could be one that you're just thinking about, and you're not really sure if you're going to do it, if you could do it, or how to do it. Or finally, if you haven't come up with any of those three, just take a hypothetical scenario: Company A and Company B. And I want you to do a couple of things: I want you to write a description of what that opportunity would be. It's a joint venture between a barber shop and a butcher... I don't know. Just whatever the scenario is. It doesn't matter. But write a detailed description of a couple of paragraphs of what it is. You don't have to name the companies. You don't have to disclose any confidential information. But you need to have enough information that you can understand it, that I can understand it when I review it, and potentially, if you would present it to that person or parties, that they would understand what it is that you're proposing. It would help you with this process.

2) List the key participants. Again, I don't need the names of the companies, but "It's a business owner and a consultant." "It's a person who sells to the government in a market that is yet not created." "It's my distribution network with my list subscribers and an entrepreneurial business trainer." You need to describe who the key participants are.

The strategies that --- I'm sorry. The objectives that you're looking to accomplish in terms of description... What is it you're trying to do? What are the objectives? I'm trying to take a product, and take it to a marketplace? I'm trying to generate more business. I'm trying to save costs. I'm trying to take advantage of unused capacity.

The strategies that you would envision using. It could be e-mail marketing. It could be barter. It could be a joint venture. It could be referral programs. It could be something you learned in this business. It could be something else that you've exposed to, or something else that's in your expertise.

The resources that are needed to make it happen. Is there money involved? Is there a third party, or a fourth party, or something else that's necessary? Is it access to a copywriter to write headlines? Is it anything that you think would be resources necessary to make the deal, or make the opportunity come to fruition, or to make the solution come about to whatever problem you've identified, or whatever it is that you're trying to create.

And the next one, which is the most important one, is list and describe what you see as either the first, or the next most logical, practical, implementable step that you could take to make that start to happen. If you're already working on a deal, it would be the next step. If you haven't done it yet, what would be the first step? It could be something as simple as picking up the phone and making a phone call to the parties. It

could be sending a letter. It could be sending an e-mail blast. It could be attending a network meeting. It could be going and knocking on the person's door.

But something has to happen. What's the first, most logical, most practical, most implementable step? And think about it just not in terms of just one activity. Think about what it is that has to happen. I need to get a meeting with this person. I need to sit down and find out this about their business, and I need to find out exactly what it is that they're trying to do so that I can potentially identify solutions using these strategies with these objectives, and these key participants, and this scenario.

Now, this will be posted for you on the resource vault. And I ask you to put good time and thought into this, because it's not just an exercise in frivolity, where we're just asking you to do it for the heck of it. It does a couple of things: It gives me a gauge of where you are, so if there's things that I need to work with Jay to fill in from a curriculum standpoint, I can do it. 2) It'll help clarify your thinking in terms of how you propose seeing one of these deals come to fruition.

But 3), if you can't sit down and commit it to paper... if you can't describe it yourself, you're not going to be able to describe it to another party when you engage other people. So it's important that you get used to doing this exercise. I do it every single time before I make a proposal to make sure that I've clearly thought out what it is I'm trying to do... who's going to be involved... what strategies I would envision doing... what resources I think are necessary... and what I'm going to do to get the thing started, because it will help you start to take what you're learning, which is hopefully interesting, stimulating, and useful information, but it's only valuable in terms of financial transaction if you start to apply it.

So my goal here and my objective in giving you this is to help you get it to paper so that you can start to move forward and make sure that you're generating income for the recession, or for the expansion, or for whatever we happen to be in at any given time when you're working with this material and this information.

So with that, that concludes our call for tonight. And I just wanted to thank you, Jody. You did a great job bringing people out of the group, and giving them great instructions. So thank you for your help. And I would like to thank everyone else on the call who volunteered input.

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