

READY, FIRE, AIM

*Zero to \$100 Million
in No Time Flat*

MICHAEL MASTERSON



John Wiley & Sons, Inc.

Additional Praise for **Ready, Fire, Aim**

“If you are starting a new business, currently own or manage a company with annual revenues of \$1 million, \$10 million, or \$300 million . . . Michael has written this book just for *you*. Michael’s unique perspective, based on his decades of experience, will provide you with the skills and insider secrets that will increase your company’s profits and save you valuable time and effort.

“*Ready, Fire, Aim* asks the questions that every entrepreneur should consider prior to starting his or her own company. The challenges inherent in the business environment and pertinent to owners, CEOs, and managers are defined and explained. Michael states the problems, offers solutions, and gives you the techniques to implement the solutions to enhance customer satisfaction, growth, and profits.

“*Ready, Fire, Aim* is a great read and delivers information that, to my knowledge, is unavailable in any other format. Based on my 35 years of experience in business, Michael is on target and has shared proven techniques that work in real time to create tangible financial benefits for you and your company.”

—Robert L. Cox, Author of *The Billionaire Way*

“Michael, you get it when it comes to growing a business! I have read so many ‘ivory tower’ books that really don’t give any practical knowledge, they’re just rehashed theory. I can honestly and enthusiastically say this book doesn’t fall in that category. It is full of practical step-by-step advice that just makes sense. My internal ‘light bulb’ was going off with multiple ideas and solutions. I feel so motivated and revitalized; I am going to grow my company to over \$100 million! Now, I know I can do it, I have a clear roadmap. Thanks Michael, I needed this book.”

—Brent A. Jones, President of AffinityLifestyles.com, Inc.

“Wow! I just finished reading *Ready, Fire, Aim* and I’m putting the strategies to work in my business immediately! Michael Masterson’s book, *Ready, Fire, Aim* has the real world, real work experience any entrepreneur can use to grow their business to the next stage of success. If you’re thinking about starting a business *don’t*, until you’ve finished reading this book—it will save you thousands of dollars and years of time and effort. *Ready, Fire, Aim* is not an academic study or esoteric theory; its real world lessons teach you how to identify where your business is right now and, most importantly, what needs to be done to grow—right now!”

—Scott Martineau, Founder and CEO of ConsciousOne.com

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Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

Published simultaneously in Canada.

Wiley Bicentennial Logo: Richard J. Pacifico.

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Library of Congress Cataloging-in-Publication Data:

Masterson, Michael.

Ready, fire, aim : zero to \$100 million in no time flat / Michael Masterson.

p. cm.

Includes bibliographical references and index.

ISBN 978-0-470-18202-4 (cloth)

1. New business enterprises—Management. 2. Entrepreneurship. 3. Small business—Management. 4. Success in business. I. Title.

HD62.5.M3657 2008

658.1'1—dc22

2007035350

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

To my partners, protégés, and students

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FOREWORD

When Michael Masterson asked me to write this Foreword, I felt conflicted. On the one hand, I have known him for nearly 30 years and watched admiringly as he catapulted himself and the many enterprises he's been involved in to almost stratospheric levels of success and prosperity. But on the other hand, I wasn't all that certain he could readily provide a broad spectrum of entrepreneurs and business owners with a universal business growth and success strategy that would (and could) easily work for any or all who followed it.

My lifework has been identifying universal principles, laws, and tenets of business building that apply almost everywhere. So I'm quite a hard sell when it comes to endorsing any business building book.

Well, I'm delighted to prepare you for a wonderful 25-chapter journey into business building—fast-track style. Michael has produced an excellent business primer for anyone and everyone who owns or runs a business and wants more growth, profit, success, prosperity, or wealth.

I found his take on the concept of taking action quite refreshing. I'm confident you will reflect hard and long when you come to Chapters 9 through 13. Michael's unvarnished look at the agonies and ecstasies

of business ownership and how to gain more of the latter and reduce or eliminate the fear is probably the best gift this book provides.

I can promise that when you put down this book when you're done reading it, you will be a far different—completely transformed—business owner than you were at the start.

I don't endorse, recommend, or write forewords for many people. Doing this for Michael's book is my great pleasure. But it'll mean a lot more to you—and your business—if you apply what you are about to learn.

JAY ABRAHAM

ACKNOWLEDGMENTS

I would like to thank the following people for their help with this book:

Judith Strauss for her efforts, for so many years, to make my sentences clean and comprehensible. Jason Holland and Suzanne Richardson for their enthusiastic work tracking down facts and conducting interviews for this book and for EarlytoRise.com. Charlie Byrne for his thoughtful comments. The folks at John Wiley & Sons for their patience and support, and Mike Ward for suggesting, once again, the title for this book.

Jay Abraham for his early mentorship in my career and for his Foreword to this book.

Porter Stansberry for his comments on mentorship, hiring, networking, and consistency. Brian Smith for his thoughts on expanding the customer base. Richard Schefren for his good ideas on management. Joe Seta and Tom Foster for introducing me to the philosophies of Elliott Jaques.

Bill Bonner for his partnership, mentorship, and specifically his contributions about running an idea-led business.

All my business mentors, to whom I will always be grateful for teaching me their best secrets and letting me go when I needed to go out on my own.

All 30 of the entrepreneurs who attended my business-building Bootcamp at the Ritz-Carlton in Manalapan last year. Preparing for that event forced me to refine my ideas about what it takes to start and grow a successful small business.

Penultimately, Christoph Amberger, Laura Davis, Justin Ford, Sandy Franks, Dave Gibson, Helmut Graf, Julia Guth, Annabelle Koffman, Erika Nolan, Myles Norin, Kathie Peddicord, Norman Rentrop, Paul Romano, Al Sears, Alan Serinsky, Brian Sodi, MaryEllen Tribby, Matt Turner, Addison Wiggin, and Katie Yeakle for allowing me to help them grow their great, multimillion-dollar businesses.

And last but not least, my beautiful wife Kathy for letting me work on the book in Chicago during our month together there last summer.

MICHAEL MASTERSON

ABOUT THE AUTHOR

Michael Masterson is not your typical businessman. An ex–Peace Corps volunteer, he never took a class in business, doesn’t read the business press, and doesn’t like to talk business. He spends his spare time writing, collecting fine art, and practicing Brazilian Jiu Jitsu. His neighbors call him a bohemian. But he’s also an entrepreneur. He started his first business when he was 11 years old, and in the 45 years that have elapsed since then, he has played an integral part in dozens of successful businesses—public and private . . . local and international . . . retail, wholesale, and direct mail.

His entrepreneurial experience is immense, even compared to other successful entrepreneurs. At one time or another, he has consulted for multimillion-dollar businesses in all of the following areas: information publishing, investment advice, health and nutrition, bars and restaurants, retail furniture, fine art sales, painting, carpentry, pool construction, public relations, career advancement, costume jewelry, perfumes and cosmetics, personal accessories, baby products, audio-tape programs, magazines, newsletters, books, international real estate development, rental real estate management, and sports and fitness.

Richard Schefren, founder of the business coaching company Strategic Profits, says, “I consult with all of the best-known

entrepreneurs in the world, and I've never known anyone who has been in more different sorts of successful businesses than has Michael Masterson."

Katie Yeakle, director of American Writers & Artists Inc., puts it this way: "You've heard of the serial entrepreneur. Michael Masterson is a polygamous entrepreneur. He is not satisfied with working on one single successful business at a time and then going on to another. If he's not having lunches with at least six CEOs a month, he's just not happy."

Michael bristles at Yeakle's assessment. "I have had a problem with entrepreneurial addiction in the past," he says. "But I've kicked the habit. When I turned 50, I promised my wife I wouldn't get involved with another start-up company. And I've kept to that promise."

Don't tell that to Dr. Al Sears, whose business, Wellness Research & Consulting Inc., was begun with Michael's help in 2006 and grew from nothing to \$4 million in less than 24 months. "The pace at which we became successful was remarkable and rewarding. A good part of the credit goes to Michael," he says.

When asked about his involvement in Wellness Research, Michael blushes. "Oh, that," he says. "That doesn't count. It's not a formal client/consultant relationship. It's just a once-a-month luncheon thing."

The last business Michael admits to having helped launch is EarlytoRise.com, an Internet-based company that provides advice and training in "health, wealth, and wisdom." Started initially as an informal weekly e-mail to a handful of his protégés, it quickly morphed, under the leadership of Will Bonner and, more recently, MaryEllen Tribby, into a profitable \$20 million enterprise.

Michael serves as a consultant and chief expert on entrepreneurship for EarlytoRise.com, which features dozens of business and investment experts—including, according to Michael, "lots of guys much smarter than me."

The primary focus of his business life these days, however, is split between real estate and consulting for his primary client, a \$300 million, international publisher of information products with offices in England, France, Spain, Germany, South Africa, and Australia. "It's an honor to be associated with this company," Michael says, "and a pleasure to have been part of its growth."

Notwithstanding clandestine luncheons that erupt into new multimillion-dollar ventures, Michael insists that he has been spending

most of his time teaching and writing since he retired, for the second time, when he turned 53. “I have wanted to be a writer since my father complimented me on the first poem I wrote. I was, I think, 12,” he says. “There is nothing I like better than spending three or four hours in the morning writing, and then spending the rest of the day reading, wrestling, and going to museums and art galleries with my wife.”

He writes poetry and fiction (“somewhat badly,” he says), as well as books on business and wealth building (all of which have been *Wall Street Journal*, Amazon.com, or *New York Times* best sellers). “I have a readership that appreciates the way I look at things,” Michael says. “And that is gratifying.”

His nonfiction books include *Seven Years to Seven Figures: The Fast-Track Plan to Becoming a Millionaire*, *Automatic Wealth for Grads . . . and Anyone Else Just Starting Out*, *Automatic Wealth: The Six Steps to Financial Independence*, *Power and Persuasion: How to Command Success in Business and Your Personal Life*, and *Confessions of a Self-Made Millionaire*.

Michael’s first business was selling his booklet, *Excuses for the Amateur*, to fellow fifth-graders when he was 11. In addition to this early entrepreneurial effort, he worked afternoons and evenings as a paper-boy and in a car wash, for a silver polisher, in a warehouse, as a busboy, and as an aluminum-siding salesman. It wasn’t easy growing up with seven brothers and sisters in a working-class neighborhood in New York. His father, a teacher at a private Catholic college, had an annual salary of only \$12,000. Besides working in his spare time to contribute to the family’s income, Michael wore hand-me-down clothes and grew up in “the poorest family on Maple Avenue”—which, he says, “wasn’t on the other side of the tracks . . . it was on the tracks.”

Michael doesn’t complain about how difficult his childhood was. On the contrary, he says he was privileged. “It gave me good values, lifelong friends, and the impetus to go out into the world and make some money. How can I complain about that?” However, he admits that when he read Frank McCourt’s memoir, *Angela’s Ashes*, he thought, “So what’s the big deal?”

In college, after working for \$6 an hour one summer installing aboveground swimming pools, Michael and two friends started their own company doing the same thing. Working 15 hours a day for \$30 an hour, he was suddenly making more money than he could spend. “That was a first for me,” he says. “And I liked it.”

During the winter, when it was too cold to build pools, Michael supplemented his income by tending bar and painting houses. “After that, I never relied on a single income,” he says. “Having multiple incomes became a habit, one that was hard to break.”

Michael continued to hold jobs and work on side businesses throughout college and graduate school. And then he quit everything and joined the Peace Corps. As a volunteer in Chad, he published his first book, taught at the university, and spent his spare time learning to speak French and play rugby.

He later landed a job in Washington, D.C., writing and producing newsletters while working on a PhD and teaching. A move to South Florida was next—and an experience he had there while he was editorial director of a financial newsletter publishing company in the early 1980s changed his life.

It happened at a Dale Carnegie success course, which he wound up in by a twist of fate. He had meant to enroll in a public-speaking course to help with some of his job responsibilities—but there he was. And though he was initially cynical, he started to work the program—beginning by critically examining his life goals, and then choosing one that would be his primary objective.

After mulling over scores of possibilities, he came to the realization that making “being wealthy” his number-one goal would put the rest of them at his fingertips. He also realized that working for other people was not going to get him there.

After making this decision, which he calls one of the most important he has ever made, Michael put all his efforts into becoming wealthy.

His first step was to learn all he could about the business he was already in—publishing and marketing newsletters. Soon he had produced an entirely new type of newsletter, with an accompanying direct-mail promotion, and convinced his boss to cut him in on the profits it brought in. He had to mortgage the equity in his home to get that cut, but Michael’s stake in the newsletter was worth \$1.5 million a year later. He was at the beginning of a very lucrative and successful business career.

- At the age of 33, Michael developed the Oxford Club, the most successful financial advisory ever, with an international network of thousands of investors.

- At 39, he retired for the first time, wrote fiction (including a film script that was optioned, 12 short stories that were published, and a novel that was not), and bought into an art gallery “for the fun of it.”
- A year later, he joined one of his former competitors in the newsletter business and helped bring that company from \$8 million to more than \$300 million in 15 years.
- In the early 1990s, he began working with partners to test out ideas about small-business development. More than a dozen of the businesses they launched became multimillion-dollar ventures. Two saw revenues in excess of \$20 million.
- At the same time, he began investing in real estate, both luxury home developments and apartment complexes. Within 10 years, he owned multimillion-dollar properties and projects all over the world.
- When he turned 50, he tried to retire for the second time. Unsuccessful once again at retiring, he was brought in as an adviser to the start-up of EarlytoRise.com, which has grown, in seven years, into a highly profitable, \$20 million business that serves more than 200,000 customers.

These days, Michael is determined to work as little as possible. “The problem,” he says, “is that I don’t know the difference between work and play. If it makes me happy, I want to do it. Am I crazy?”

Ready, Fire, Aim is his tenth book and fifth with John Wiley & Sons. His next projects are a collection of poetry, a screenplay, and a book of short stories, all of which will be published next year. He continues to write about starting and developing small businesses on a weekly basis in the *Early to Rise* e-zine.

PART ONE

BEING ALL THAT YOU CAN BE

INTRODUCTION

The Very Best Job in the World

Vanessa dropped two plates of eggs and bacon on our table, a stainless steel and Formica heirloom of another generation.

“Got any hot sauce?” Harry asked.

“You gonna use it if I bring it?” she countered.

Harry looked up. Vanessa was smiling. Harry smiled back.

“You’re kinda cute,” he said.

“Don’t kid yourself, honey,” Vanessa replied. “I’m *very* cute.”

She grabbed a bottle of Tabasco from a nearby table, slapped it down in front of Harry, and sauntered away. Harry watched her backside as she disappeared into the kitchen.

“I feel like I’m in an old movie,” he said, salting his eggs.

“The Green Owl is old Florida,” I told him. “It’s not trendy, but it works.”

Harry looked around. Every table was full, and every stool around the central counter was occupied. Most of the crowd was dressed in working clothes—jeans or uniforms or business suits. And everybody seemed to know everyone else.

“A local place,” he said.

“That’s the way I like it.”

We began to eat. The eggs were good. The bacon was crisp, the coffee hot.

We talked about business. Harry, a career diplomat with the U.S. Agency for International Development (USAID),* had just begun a new post in Central America. He talked about his efforts to master Spanish, and about the challenge of motivating a staff that had been there before him, would be there after him, and was used to doing things “the old way.”

“And since they are government employees, it’s nearly impossible to fire them,” I added sympathetically.

He asked me about my Latin American business interests—a real estate brokerage in Panama, a publishing venture in Buenos Aires, and a residential resort development in Nicaragua.

“They are all doing very well,” I told him.

Then Harry leaned forward and asked the question I have been asked a hundred times in my career, the question I always have trouble answering:

“You know, I’ve never really understood—what exactly do you do?”

A QUESTION THEY NEVER STOP ASKING

I shook my head and smiled.

“You’ve known me for 25 years,” I teased. “How could you *not* know what I do for a living? I know what *you* do!”

“But you . . . you do so many damn things. You work with a business in Ireland that publishes a travel and retirement magazine, a business in Baltimore that sells vitamins, a business in London that sells academic books to universities—and I don’t know what else!”

Harry had only scratched the surface. I have an active interest in

*USAID is an independent government agency that provides nonmilitary economic and humanitarian foreign aid.

THE FOUR WS OF CAREER SATISFACTION: DEMANDING THE BEST FROM YOUR JOB

They say that the three most important decisions in life are:

1. What you do.
2. Where you do it.
3. With whom you do it.

I think that is true. To have a great career, you must choose work that gives you satisfaction, a working environment that is pleasing, and coworkers who make it easier for you to achieve your objectives.

To those three Ws, I'd add a fourth: *when*—as in *when* you work and *when* you don't. Being in charge of the hours you work and the vacations you take is an important element in the mix that makes up the perfect working lifestyle.

This is a book about business, about taking your business to the next level. But it is also a book about personal power and satisfaction, about changing the way you work so that you can become increasingly in charge of the four Ws of career satisfaction and thus be able to say, "I have the greatest job in the world!"

the largest financial newsletter businesses in both the United States and England, a company that teaches people how to make career changes, about two dozen real estate businesses (including two that are at the \$50+ million level), a public relations business, several health-oriented companies, and businesses in France, Australia, Germany, Spain, South Africa, and India. I have owned wholesale, retail, and direct-to-consumer businesses selling everything from perfume to televisions to horoscopes, and even a few small restaurants and hotels and oil wells.

Yet I spend most of my time writing.

Harry was right to be confused. I sometimes have trouble understanding it myself. I do know this:

I have what must be the greatest job in the world!

I work when I want, where I want, and with whom I want, doing only what I want to do. If that isn't the definition of the best job in the world, what is?

WORLD-CLASS TRAVEL PAID FOR BY MY CLIENTS

I love to travel, and my job as a consultant to the many businesses I'm involved in takes me all around the world on a regular basis. In the past year, I have spent a week in a 24-bedroom château in Normandy, as well as a week in a luxury hotel in Paris, and have spent time in Madrid and in Rome. I enjoyed several memorable days in New York, Buenos Aires, and Dublin, not to mention the time I spent in our second home overlooking the Pacific Ocean in Nicaragua.

When I travel with my wife, I spend the bulk of my day having fun visiting parks and shops and museums and going to concerts, dance performances, and the theater. When I travel by myself, I block out several hours every day to indulge myself in small museums and art galleries and take advantage of the health club and spa amenities offered by the hotels I stay in.

And because my business interests are international, travel is largely first-class and paid for by one of the companies I consult with.

My office is more a grown-up version of a boy's treehouse than it is a workplace, complete with a personal gym, Jiu Jitsu room, billiard table, movie screening room, and art studio. It is located 1.1 miles (an eight-minute jog) from my main home, which is in one of America's best cities on the Atlantic Ocean in South Florida.

So if you were to ask me "Where do you work?" my answer would be "In all the best places."

BEING IN CONTROL OF YOUR TIME

My working time used to be directed by other people and measured by a time clock.

At the Rockville Centre Car Wash back in 1962, we were penalized a half-hour's pay for each minute of tardiness. Later, as a schlepper at King Cullen's Warehouse, my high school friends and I worked whatever shift we were told to work, and we were happy to have