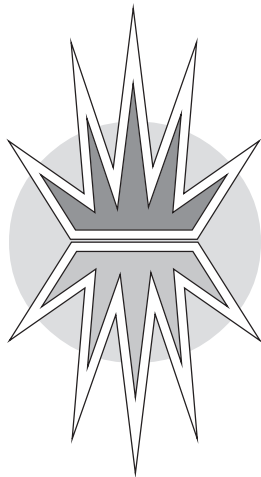


Turning **I***deas* *nto* *ncome*



*A practical guide for the inventor
and investor to the art of making
money from good ideas in the
custom bullet market, gathered over
four decades of direct involvement*

by

D.R. Corbin

Turning Ideas Into Income

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For my wife, Katherine,
*without whose guidance over the years far more might
have been done...incorrectly!*

*And for the possible entertainment of our children
Chris, Mary Beth, and Cynthia
and their children
and so forth...
(assuming that book reading does not fade away from
pervasive video glow.)*

Introduction: Who Is Talking?

Before you listen to any advice, you need to know who is talking and what their agenda might be. Most people have two agendas, one overt and public, and one personal and covert. Sometimes (rarely) they may be the same thing.

My expressed, public goal in writing this is to help people avoid the heartbreak and wasted years of fruitless efforts that I have observed for at least three decades (perhaps longer, because I was not paying as much attention while I was busy building my own businesses).

That is a noble agenda and worthy of the accolades usually accorded to writers dripping kindness by their own reluctant admission (possibly wrenched out of them by the proximity of a book reviewer, as metal chips are pulled out of the cornea by a powerful magnet). Some writers are so completely altruistic that they may actually be compelled to run after a critic's taxi, or throw themselves over the transom of the book review office, in their modest but persistent effort to spread kindness.

The covert and personal agenda for me is, of course, to help people avoid the heartbreak and wasted years of fruitless efforts, etc., unlike others who merely want to enrich themselves or to further spread their fame so they can sell more books. For proof of this, please note that this information is available free on my web site. Yes, you can download the binary version absolutely free, including 128-bit encryption without any additional charge or obligation.

This should leave absolutely no doubt of the purity of my motives, the perfect congruity of my pub-

lic and private agendas. Do you believe this?

Great! I have an even better deal for you, in that case. There is this ocean shore property just outside of Wichita that is about to become a major resort as soon as the Environmental Protection Agency signs off on the cleanup of a very tiny, minor toxic spill that is hardly worth mentioning except for the unfortunate newspaper and TV coverage. I would really like for you to have it at half price for cash. Call me right away. I'm sure this deal won't last much longer (pay no attention to the clicking sounds on the line: there is no truth in the rumor that my phone is tapped). Just remember to call me "Harry" and bring the cash to the bus station in a brown paper bag.

But for those whose loads are missing no bricks, whose elevators actually reach the top, and who are at home in the penthouse with the lights on, my second agenda is to add another product to what I hope has proven to be a useful line of writings, to sell it and hopefully make more than it cost to market and distribute, and in the process, to make myself feel good about helping some people avoid the heartbreak and wasted years of fruitless efforts that they might otherwise experience. Really.

I don't believe in altruism. Altruism is doing good without getting any benefit for it. If you do a good deed for someone, even if you don't let anyone know about it, and it makes you feel good, then guess what? You did it because you got something back: it made you feel good! Here is real altruism: you do a good deed that no one knows you did and it makes you feel terrible! I don't believe in that. Do you?

I do believe that people should use accurate language, that words have both overt and covert meanings, and that if we the general population begin to accept and assume meanings that the words really do not have, then we are setting ourselves up for manipulation by clever users of those words. You can be made to feel guilty when you have nothing to be guilty about, just because you accept an implied meaning for a word. For example, do you always tend to insert the word “greedy” right in front of the word “capitalist” whenever you see it? Is it hard for you to see the word “profit” without feeling it ought to be qualified with the adjective “obscene”?

I hope not, but unfortunately, a lot of adults who want to turn their ideas into income are carrying this semantic burden from the 1930’s, when Karl Marx had such a tremendous influence on the academics. They, in turn, were only too happy to have a better reason for being jealous of successful people who were often less erudite than themselves. So, the vilification of profit and of capitalism was taught to the point of becoming an ingrained fiber of common thought, passed on as if it were a universal rule, instead of an aberration.

After the failure of communism in the Soviet union and Eastern block countries, and with more popular investment in the stock markets and the growth of home-based enterprises in recent years, most thinking adults have come to question the idea that profits are morally reprehensible, and that capitalism is systematic greed. Competition is attracted by profit, and profit drives the mechanism of innovation that keeps raising the standards and makes it difficult to maintain a monopoly without also providing exceptional value.

The problem is not just one for eggheads to debate over glasses of Pinot Noir. The very people who are least likely to care about the fine points of language are the ones who will be most damaged by accepting the covert meanings of words. An inventor who cannot think of the word “profit” without thinking “greed”, and “obscene” will always feel guilty about making a profit, and will subconsciously undermine his own marketing and promotional efforts. An investor who believes that capitalists are somehow immoral people will live a false life, hoping he can save his soul by giving to causes that would destroy the very foundation that makes his success possible.

Capitalists are the risk-takers who move society forward, and make it practical to have the technology that extends lives and makes them more enjoyable. Profits are the fuel of innovation, without which no enterprise can survive and provide goods and services for the rest of us to enjoy. Of course the buyers want to pay as little as possible, and naturally the sellers want as much as they can get, but this is precisely what makes the system work so well: hundreds, thousands, millions of people voting with their dollars to elect enterprises to high positions in the market or to dash them into oblivion, depending on the collective perception of how much value one business provides over another.

It’s interesting how the ultimate collective will of the people actually comes from individual decisions made in a capitalist system, rather than from any of the state-controlled dictatorships that begin by promising that the masses will have power, and yet always resort to force against these same masses in order to extort power from them.

No system of government or economics will ever be perfect because people themselves have flaws of character and will misuse the best of ideas from time to time. But that provides no license to condemn the ideas: only the particular abuses are fair game for satire.

But enough of this. The reason I am giving you a sweep of random brain waves is so you will get a better idea of who is talking in the rest of the book. You shouldn't take everything here too seriously, for example, especially when I am bombasting away at full attack speed on some pet peeve or other, because I don't take my outrage too seriously either. And yet, I believe the basis of the concepts is valid and true, whether or not I am wise enough to express them clearly.

Just as Evil Exists, so Morons Are. If people want to act against their own best interest, I can pretend to be upset for the purposes of illustration, but there really isn't much any of us can do about it. It's their misfortune and none of my own. (Feel free to sing along...)

Some of the ideas in these pages are likely of a nature that may not be welcome to certain mind sets. I'll try to harden the blows as much as possible: that way, the easily damaged minds will be snuffed with a merciful swift whack, like a moth, and not have to suffer through the repeated low level trauma of relentless painful logic.

When I say "I", I mean myself only, not the people who work for me or anyone else. When I say "we" I don't mean to be imperial (although it might be fun: Mel Brooks said "It's GOOD to be king!"). I mean in general "we" the people in my business including myself who have been involved in dealing with ideas and

idea people, financial people, and the others I will explain later.

In most cases, I mean well about people, even those who don't deserve it, so if there is any question about how I meant a thing, just take it I meant it in the most kindly, helpful, and perhaps modest way, especially when I mention myself in any passing reference. If I seem to be bragging, I don't mean to be. I think that success is reaching your goal, whatever it may be, and I've reached a number of my goals. But they are not such lofty goals that I hold them up as ultimate examples. Some were very modest.

I wanted to have my own electronics company, from the time I was in high school. After working for a TV studio, a two-way radio service firm, and an avionics business, eventually I did it. I wanted to have a book published by one of the publishing houses that I admired, and Stackpole Books published my first hardcover about bullet swaging.

Before that, I wanted to sell a magazine article, and my first one was to Popular Electronics decades ago, with hundreds of them following (everything from magazines for truck drivers to commercial fishermen, gun magazines and communications journals). I learned that you could choose a reasonable goal and achieve it, if you were willing to put out the effort and spend the time. That does not mean everything I tried to do worked out. But most of it did because I just wouldn't let it go. Anyone else could have done the same. Some have taken those goals much higher and further.

One "secret" of reaching goals is to get along well with everyone including people you don't like very much, because they might be more likeable if they had a better morning. Maybe the first thing this disagreeable moron found when he awoke was a note from his

wife explaining why she isn't coming back, just before he stepped on the dog and had to get stitches and a rabies shot, right before rear-ending the patrol car because he was still reading the note with one hand and holding his sore stomach with the other.

So I make some allowances for people, whether I like them or not. And it is surprising how often that disagreeable slug turns out to be likeable after all, especially when he happens to put you in contact with just the right publisher or buyer or potential distributor. The world is full of opportunities to lose by treating people badly, so I try not to do that, and suggest that others learn to be agreeable if they wish to get ahead.

But some people believe that kindness is weakness. Some believe that if you are polite and try to defuse a tense situation or step away from a fight, you are exposing a soft spot in your character. This attracts bullies, because they have to keep proving to themselves that there is someone they can dominate. I don't just mean at a bar or around the tobacco-spitting crowd. Academics and well-groomed business types can be bullies of a nonphysical sort.

The same technique works for them all: be polite, don't stoop to their level, and when the time is right take them out so hard and fast that they never knew what hit them. I believe General Colin Powell called this "overwhelming force", and it takes some planning during which you don't want to tip your hand.

Whether you craft a careful coup that crushes their business or debunks their latest publication, or whether you put some of that self-defense martial art into practice at the bar, it is all the same. A Navy buddy and I used to call it "Scorched Earth Policy", borrowing a little Civil War terminology. What we meant was,

“Do Unto Others Tenfold What They Do Unto You, And They Shall Think Twice Next Time.”

The prankster in our division might decide to fill my buddy's dress shoes with shaving cream, and no one would say a word about it until the prankster came back from shore leave to find his entire locker was filled with shaving cream. The message was clear: mess with the bull and you get the horns. Don't let anyone confuse kindness with weakness, if they show any sign of acting on that mistaken assumption. One of my favorite sayings is “He Who Lives By The Sword Gets Shot”, but of course that is only an aphorism, not a literal recommendation.

You have to first decide if retribution is worth the effort. If all you get out of it is an ego boost, the problem might be your own lack of confidence and self-esteem, rather than any particular need to uphold justice. If you are certain that your actions will save others from humiliation, and your own personal need for revenge is just a side benefit, and the effort is not going to consume time and resources which might have been better spent advancing your own situation, then proceed.

Try not to make the old Chinese proverb apply: “When planning revenge, first dig two graves.” More often than not, if you calm down and let it pass, you'll come to realize the insignificance of the bully. When you are able to think logically again, you will probably realize that the best revenge is to do well and be happy in spite of what this person tried to pull. Maybe not always. Sometimes you have to take action, but make sure you are right, and it actually matters.

Now, why should you bother to read anything I would write about making money from ideas?

Ostensively, I have run a tool and die business that also did publishing, software, and business development work for about 40 years. But the tool and die business is a disguise for a company that helps people develop ideas for profit (for both the client and for us, the company).

Before I started Corbin Manufacturing, the concept of a boutique bullet business —custom bullets— was limited to the point of near extinction. No one made equipment you could buy right off the shelf or have made to order with a guarantee of results, to produce virtually any kind of custom bullet from just the idea or concept. You could not buy equipment to make drawn bullet jackets, or even those made from copper tubing, unless you developed it yourself and had a machine shop produce your ideas. Most of the things we build today are still unique to our business.

We start with your end product, help you refine and redesign it as needed, and then we make tooling that will produce it. You take no risk of it not working. If we can't do it, then you owe nothing.

So what I have been doing for all these years is listening to the ideas, reading the patents, checking out the drawings and concepts, and helping people who have them translate them into a viable product idea that can be produced in a practical way with affordable tooling.

I discuss it with my die-makers and they tell me how likely it is to work, and what we might have to do to make it work. Or if it can't work, they can usually tell me why (too expensive, too slow, too fragile are common reasons). Then I also look into the proper way to market each of these products, how to price them, how to promote them, where and to whom to try to sell them, and how to put together the business

that can do it in a profitable way. That is, I offer these services. Not everyone takes advantage of them.

Hundreds of people have followed my advice and used our services to the recommended level, and they have successful businesses making a living with those ideas today. There have been perhaps fifty people who have started and been unwilling or unable to continue for their own personal reasons, and therefore quit before they could fail. I have not seen anyone actually fail, who followed the seven step plan that we have recommended for decades (see “Plan for Success”, a later chapter). I’ve just seen people fail to try.

The minor details have changed—for example, the use of web sites and e-mail has become an important part of the marketing—but the basic plan is still sound, still works as advertised, and is still turning ideas into income for new clients every week. I always have several hundred jobs pending, with many of them repeat sales to those businesses for more calibers, more presses and dies, additional tooling to expand their businesses.

So now I can be more candid and put the humor back in the tattered joke bag from which it was pulled. Of course I have an agenda that benefits my company. It is to sell equipment and services that only we offer. This is not my entire agenda, but it is one of the points added to what I said earlier. I do want to help you become a success, but not for altruistic reasons.

I know that if you make a nice living building custom bullets, my business will most likely receive orders from you in the future as well as when you get set up. In fact, the better success you are, the more I will benefit. People who fail don’t buy any more equipment or supplies, don’t ask for me to create more web sites for them, and they can’t afford to buy the next

upgraded level of equipment, either (nor do they have any need for it).

I also feel good about helping people, but I feel even better when those people buy our equipment and sell lots of bullets, make lots of money from their ideas, and then come back with another idea. After all, there are not enough potential bullet makers so that a company could survive for 40 years or more on a onetime sale. We need your continued success to assure our own. It's one of those "win-win" situations of legend, turned into actual reality before your very eyes.

My agenda is to ride on the coattails of your success. There, now you have it, all of it. And I hope you are satisfied. You've beaten it out of me.

Having confessed to both the public and the private agendas, I trust that you can make a judgement as to how to interpret my particular biases. I don't recommend bigger or more expensive equipment than I would buy for the same task, having my insider's knowledge of what works best. And if I really think that in a given situation, you would be better off to do something that does not result in purchases from my company, then you can trust me to say so.

Trust comes from experience, and from reputation. If you check around in the industry, you'll find just about everyone finds us trustworthy. Except, if I'm having an unlucky day, you might happen to run across that unbalanced pugilist who goes through life spoiling for a fight. In that case, reputation means nothing. Forget it. Would this kindly old fellow steer you wrong?

No, I wouldn't! It's because of all those permutations of the Golden Rule. First, if you don't do unto others as you would have them do unto you, then you

have no moral basis to protest if you are treated badly. Second, what goes around, comes around. Things you do have a way of making people want to reciprocate, on either side of the equation. I strive to keep a positive balance! It's a lot safer, eh?

And I recommend that all inventors and investors do the same, because it is indeed a small world and you will run into the people you have dealt with in other situations sometimes. Always walk away from a deal with the feeling that you made the other guy want to deal with you again, because he might.

Oh, by the way: when you read or hear someone use the phrase "most people" followed by an opinion disguised as a statement of fact, consider for a moment whether anyone alive really has met or interviewed most people. There are more than 312 million people in the USA, alone, and I've not interviewed most of them, which would be at least more than 156 million people. Have you?

You can say most people have a navel, and most people eat food, based on logic. You can say most people in the USA have a telephone, based on statistical studies. But you step on unfirm ground when you start to transfer direct behavioral observations of a few examples to a generalized "most".

When you see a statement about most people, just translate it as "most people I've actually observed or questioned have caused me to form the opinion that they..." and then continue the sweeping statement that follows.

I roll my eyes, at least mentally, when someone uses that phrase. And then I catch myself doing exactly the same thing! But most people probably don't notice.

What Are Your Options?

If you have an idea for a better bullet design, a patent on one, or if you are an investor who is considering backing a person who has such an idea or patent, there are a number of ways you can generate income from the idea. But some of them are more likely to be successful than others.

One of the options is designed to eliminate the need for an investor by selling the idea to an existing company. If you are an investor, you probably don't want that to happen. If so, you are in luck, because the odds are very good that it will not. Existing businesses usually do not want to buy someone else's bullet idea because they already have a development department with a room full of new ideas that have yet to be put into production, and are perfectly happy with the sales of the current product line. Or if not, they just want to sell more of the same, not start over with a whole new product.

I will explain why the merit or technical superiority of a new bullet idea is not likely to be much inducement for an existing business to purchase it, in the next chapter. For now, let's just assume that no matter how fantastic the promised performance may be, there are other reasons that weigh heavily against the sale of the idea or patent in this way. Of course, there are exceptions, but examine the alternatives before depending on your case being one of them.

Another option is to find a company, or an individual with the equipment and qualifications, to manufacture the product for you under contract. The main objection I would raise is that you will be paying (in essence) to rent the use of the equipment and in addi-

tion will be paying the operator's wages and taxes, and further will be paying a fee to the owner as profit, whereas you can either make the bullets yourself or hire a person you can easily train to do it.

The amount you would likely pay someone else would purchase basic equipment that would allow you to make a modest production yourself. Again, there are exceptions, but they are rare. Besides, as soon as you have someone else make your product, you have lost a certain amount of control and security. A dishonest person can easily sell some of your bullets on the side, and you would have a hard time finding out until it was too late.

Contractual agreements are primarily to give honest people a reference to keep them from forgetting what they agreed. If one party is dishonest and wishes to steal your idea, the problem with enforcing the agreement in court is the high cost of attorneys, court fees, and then, even if you win, getting the offending party to actually pay you damages or cease making your product can be harder than it would seem. I've had judgements that were uncontested, clear wins in court that took years to actually pay, and then only paid a fraction of the award because of the costs of collection. Still, I would do it again if someone deserved it and I needed entertainment.

When two honest people go to court, the winner gets something for his trouble, if only a fraction of what he wanted. But if one of the parties is a practiced and clever crook, the assets may be cloaked in such a way that you will have a long wait and have to be very diligent about re-filing liens on properties, garnishments on income, tracking down the debtor and following his travels, researching how he put all his property in his girlfriend's name, and so forth. In short,

the trouble and time you waste on this deadbeat may not be worth it. Besides, that kind of person eventually pulls his tricks on someone that he later discovers is nicknamed “Big Tuna” and the chiseller winds up wearing concrete overshoes. Bad apples tend to gravitate to each other.

If your idea is one that can only be produced in high volume, then it isn't a custom item, and my advice may not apply. But if it is a custom product, which automatically means it is best sold in a limited market at a fairly high price, then I can assure you that having someone else make it is not as cost effective as making it yourself.

Suppose that you really do not have the time or enough money to invest in even the minimal amount of machinery and dies that would be necessary: my first question would be, why do you think you will have time to market the product and handle the orders? How are you going to pay for the production, the packaging, shipping, the necessary base of operations to make this all work? How are you going to advertise and promote the bullets so anyone knows about them?

Far too many “broke” inventors drift in and out of the market, unable to commit to being successful. If you believe in the idea, and can get some objective critique that is positive regarding its market potential then the best thing to do is make up your mind to stand behind your own idea. Nearly all “broke” inventors have resources which they are afraid to commit. They want someone else to take the risks and they want to skim off the profits. Sorry, but the world seldom works that way. Profits are the reward for taking risks, not for having good ideas.

You can have all the good ideas you like, and never make a dime from any of them, unless you are

willing to take some risk in bringing them to market. If you get someone else to make the bullets, and you then expect to go see some “money people” with a few boxes of these bullets, convinced that once they try the bullets they will be glad to hand you wads of cash for the honor of selling them, boy, are you in for a surprise!

First, unless you pay the manufacturer up front it is highly unlikely you will get anyone to make samples for you. The fewer you need, the more you will pay per bullet. You may need to pay for tooling, as well. So if you are going to have to do that, why not just buy it yourself and keep the profit that the manufacturer would be making?

Worst case scenario: you don’t sell a single bullet and you wind up with some nice equipment. The equipment can be sold for nearly what you paid for it, in most cases, unless you wreck it by keeping it in a damp shed all winter. You will have the bullets to shoot. And you will have gained useful experience.

The most “broke” inventor I ever met still had some assets that would have paid for the launch of his own business, had he believed enough in his own idea to risk them. Most people have a car, a house, or the ability to do useful work in some field. Some of my clients have sold gun collections to finance their business venture. Others have simply borrowed with their car or house as collateral. Yet others have taken a second job and saved enough extra to invest after a few months of working these longer hours. I’ve worked two and sometimes three jobs, and to this day I put in more hours than the average wage earner, at several enterprises, just because I enjoy seeing the results (and I admit, fruitful work is addictive).

But I've seen the jealousy in both the looks and the tone of comments from some people who have observed just the lifestyle made possible, eventually, without seeing what went into making it happen. It makes me want to sit them down and point out that the decisions they made to buy a new car or get that expensive entertainment system "right now" on time payments when they really don't need it took away an opportunity to put the money toward saving for an investment in their own business just like I did. Their inability to exercise restraint in buying whatever they want, right now, is what keeps them paying their huge credit card debts while my wife and I own nearly everything we have, free and clear.

We don't buy the latest and greatest of every single thing, but we have good quality toys of the types we really want. Anyone can afford to start their own business if they are willing to put off having all the toys for a while. That's the problem: we are an impatient society and we want it all right now. And with credit cards and easy loans, we can get it.

But then we shouldn't whine about how the other guy, who put all that off and worked twice as many hours for years, is "lucky" or "smarter" or "has it made". Yeah, he has it made because he made it himself by lots of effort and doing without, or at least, getting by with something less than the absolute most awesome new version when a two or three year old model did the job for a fraction of the cost.

I can come up with a workable plan for almost anyone that will result in a paid-for business, ready to make enough money to support itself within 18 months of start up. The problem is, few people have the guts to actually do it.

A neighbor of mine, next to our ocean shore “second home”, was constantly looking for a way to make “big money” in a hurry without doing much work, and periodically asked me about some tips on how to do it. But he wanted something where little or no hard work is involved. I have no idea how to do that. Everything I know that has been successful at making income has involved significant investment in either money, time, or effort. It is human nature to want something for nothing, but equity in transactions is the nature of economics.

I am always a little surprised when someone thinks I have the secret of easy money. If there is one, it is probably to be in the right place at the right time and be aware enough to take advantage of the situation. But that isn't a plan, it is just a lottery ticket.

Obviously you can make money by using money well, taking some intelligent risks. For some reason, my wife can usually make money taking what I consider extreme risks: she plays casino blackjack and usually does very well. But I can't explain that logically, because the odds are always that if you play long enough the house will win.

She says that it's because of her “Irish Luck” (Katherine O'Connell is about as Irish a name as you could find), coupled with playing the odds wisely. She thinks that the odds are tipped in a smart player's favor because of all the idiots who split 10's and take one more hit when the dealer is likely to bust anyway. She figures the odds are what they are because these people figure into it, so that gives her a better chance. But it doesn't seem to work for me! I guess my math background precludes factoring other players' behavior into the card statistics.

You can make money by consistently putting out more effort than others are willing to do. When I was an employee, many decades ago, I made it a point to come in early and leave late and volunteer to do those jobs no one else wanted to do, but I also made sure that the people who owned the business saw it, not just the other employees or the guy I was planning to replace!

You can work hard and long and still be lost in the woodwork unless you do it in a way that makes your effort visible to the people who appreciate it. And if they don't, move on. Don't waste time in a company that doesn't want to reward better than average results. Just remember, results are what count. Putting in lots of extra work but doing things wrong isn't going to help the bottom line.

In your own business, you must be willing to put out more effort than any of your employees, not just to set an example but because no one else can be expected to care as much as you do, and to get the hard things done.

Two things I hear over and over are “You're lucky, you can write it off because you have your own business.” and “You get to take off for vacations two, three times a year!”

First, you will have some explaining to do if you try to write off things that are not actually business expenses, and second, you have to have made enough profit to have something to write off against. And as to vacations, sure, now we can take two or three trips a year, but it took a lot of years of taking no time off and working nights and weekends to get there.

If you want your own business because you crave the free time, being your own boss, working when you want, remember this: when you are your own boss,

you work when you want as well as when you don't. In fact, you seldom quit working. You take it with you all the time. You lay awake in bed thinking about the bills, or the next marketing plan, or what happens if that new investment doesn't pay off.

You worry about hiring good people, and then you worry when you think you might have to fire one of them.

Am I contradicting myself here, first telling you that you ought to have your own business and then telling you it isn't easy? No, I think it is well worth the effort. Just be ready for the effort.

The third option, other than selling the idea to a manufacturer or finding someone to build the idea into products for you, is to find an investor to take in as a partner. I will cover this in another chapter, but it doesn't usually work in cases where the "idea man" has little or no monetary investment and the "money man" puts in little or no hands-on labor or technical support. It can work, in rare instances, but I have not seen it in this field.

People are prone to thinking their contribution is all that matters and the other fellow is just slacking off, when things are slow. And when things are good, then people tend to become greedy and feel that the bulk of the reward should be theirs for reasons that can be justified logically: the business would never have come into existence with the _____ (fill in "cash" or "idea", depending on which side you are on).

Unless both partners are working side by side, pooling resources and efforts, and making what they are doing visible to the other partner constantly, there is this feeling of abandonment on both sides, because it takes a while to get positive cash flow.

It is like a marriage: unless both people think they are giving 110% of the effort, it is likely neither one is giving 50%. You have to give what you consider extraordinary effort, because the other person will recognize it only as ordinary effort. It always looks like more when you are the one doing it, and less when seen through someone else's eyes, because you see every detail of what you do, you know what's in your plans and thoughts, and what you might prefer to do but don't do instead. The other person only sees the end result, maybe not even all of that. Knowing this up front takes the sting out of it. Being glad to do it saves the marriage and the partnership.

A fourth way to turn ideas into income is to start a company to make the product and sell it. This is the method I prefer. It has many benefits over the other methods because it has fewer decision-makers involved. People bring their own problems, such as the possibility of dishonesty, idea theft, and fraud, as well as the less egregious issues of honest disagreement over goals and expenses, methods and investments. Personality can be an issue. Like "The Odd Couple", one person may be neat and fastidious about records and workplaces and the other may be a lovable slob who could do just fine in his own bumbling way.

Involving outside labor in your ideas can be a workable concept but you are then at the mercy of their work schedule and delivery times, and have to factor in their price changes and delivery charges. You have lost some degree of control over quality. It is very well to say that you won't accept any shipments that do not meet certain specifications, but you are not Boeing Aircraft and your order isn't going to make or break their quarter, most likely.

So, if you reject the order, they might take offense and tell you to take a long walk on a short pier. They lose your business, but they don't care, and you meanwhile just lost all your sales from those folks who expected delivery next week.

Hard decisions! Accept something that isn't quite up to your standards, to keep the orders and cash flow moving, or maintain your standards by insisting on a rework, and take a chance that you will lose the orders and have no income for a while, and possibly get a price jump or another shipment with less than acceptable work and have to start over finding another vendor.

It is one thing to say you will never lower your standards, for any reason, but it is quite another when the amount of lowering isn't going to be an issue with the customers and doing so means orders will ship, bills will be paid, and you will stay in business another month.

On the other hand, it is a slow death spiral for a business to make a habit of getting by with a little less than they could. Eventually customers do notice. The art of survival sometimes is in knowing when you have to cut a corner and when you should not. But if you do it yourself, you can just put out a little more effort and still fill the orders without cutting anything but your free time and short-term income.

Making it yourself means you maintain your own standards. You find out for yourself, quickly, which features or stages take the most time and whether you might simplify the design or change the tooling in some way to improve production time. Making the bullets yourself means you understand their construction far better than if you only drew them on paper. You begin

to understand the finer points of fabrication in a way you never will if someone else does all the work.

You can also make as few or as many of a given weight or style as you wish, any time, to fill special orders or to see what happens. The production tools become an extension of the laboratory, in that they are extremely versatile at the manual feed level (as opposed to being fairly locked into a single design at the high speed automation level).

If you were just “this close” (holds up finger and thumb with a tiny gap between) to perfection with your special 205 grain .308 rebated boattail 1000 yard bullet and you found that 207.5 grains pushed it into the X ring, or that a slight change in balance made it stable in a 12-twist barrel as well as a 10-twist, then you would be glad you could do those things so easily. You would never find out from having someone else make them, any more than you could with factory bullets.

Having your own production may not be your ideal. Maybe you don’t like the actual work itself. Maybe you envision yourself as the “brain” and not the “brawn” behind the business. There is nothing wrong with that concept, but we are talking about turning ideas into income, not chiseling them into concrete forever.

Having a lower volume, modest capital investment in tools for prototypes and production can be a step toward exactly what you desire. It is a way to get there without giving away the farm or involving other people who can make your life miserable. No one said you had to keep making bullets, once you have established a toehold in the market and have proven to the world that the idea will sell.

In fact, you’ve made the idea much more valuable, and you’ve established yourself as the origina-

tor. I'd rather be first on the market than have a patent on a bullet idea. I can point to all the people who copy it as proving the validity of my idea and I will have a following who scoff at the copycats. Without a patent, I may or may not lose some sales to these copycats, but in this field, I believe I will make more money getting the initial sales and not spending thousands on patent searches and thousands more if anyone needs to be challenged in court.

If you can prove it (and you should be able to if you advertised or got press releases published) you can use your originator status as a selling point and use any mass producer who steals your idea as validation of its value, as in "Get the Original, Stolen by the Best of Companies!" Besides, none of the mass producers wants to make anything that sells under, say, 100,000 bullets a year. The "mass" in mass producer means they must produce what the vast bulk of people will buy, the average shooters, who won't spend much more than they do now on bullets anyway. Your customers for custom bullets are higher end buyers. You are in a different market. Or ought to be.

Making and selling your own bullet idea also means you have established *three* potential markets, at least. First, you have a market for your bullets. You can farm out the production now, if you like, because you can back it up with your own if necessary. You are not at the mercy of their pricing or delivery, since you don't absolutely require their services to survive.

Second, you have a going concern and not just a pile of tools, if someone comes along who wants to buy you out. Or you might want to contact some other bullet firms who have a history of buying or consolidating with other bullet makers, to sell out to them for a profit (and start another business with a new idea).

Third, you have the ability now to hire people and do contract production for other bullet makers, just as you were planning to do until you decided to make your own business. You can either make an agreement to sell all your bullets to a distributor or private label them for another bullet maker, or you can take jobs from other people who have ideas and don't have the sense to do what you just did!

Of course, you won't cheat or steal from them, and so your reputation will grow and you will be a successful contract manufacturer. Your quality will remain high, your delivery on time, and your cup will runneth over.

I have never quite grasped the reasoning behind those who decide not to go ahead with their business, and instead sell the tools and dies! To me, it would make far better sense to sell a business than a bunch of tools. After all, I sell tools, and I don't get anything near the multiple or blue sky or good will value of having them assembled into a going business opportunity.

Maybe no one told them how to do it. For a couple of years, after I had sold my electronic communications business, I put together little electronic ideas and built small mail order businesses around each one, sold products for a while, and then advertised the business opportunity for sale. As soon as I got an interested, serious buyer (which means, a good sized deposit or a paid in full check that doesn't bounce) I would go out and spend some of it for a new typewriter, file cabinet, desk and chair, assembly bench, tools, and some good business books on how to do your accounting, how to manage inventory, how to market products, and understanding business taxes.

Then, when the buyers came to pick up the materials, they would get a true turnkey package, ready to plop down in a rented office and start operating, with a list of clients and advertising, vendors and tax returns, as well as the plans for making and testing the device and enough parts to build a number of products.

Then I would immediately start up another small business of a similar nature but a different and non-competitive product, promote the products, get the sales going, and sell that business in just the same way. The sales price of the business opportunity was far higher than the sum of all the materials, because people were more than willing to pay for the work that went into making the business a reality instead of just an idea. They were paying me, in essence, for taking the risk of it not working.

There was very little chance of that happening because I had a lot of ideas for simple electronic gadgets that served useful purposes. None of them were what you would call big sellers, but all of them would sell a steady trickle without a lot of advertising cost.

A few examples? OK. One was called the "Voltector" and it was just a little aluminum can somewhat larger than a 35mm roll film canister, holding a tiny speaker and circuit board, which connected to any wire from the battery of a police car, and did nothing until the voltage at the battery began to drop below a level that indicated the car might not start. Police cars used to sit by the road with a radar gun, engine off, using the cigarette lighter outlet for power.

But the old tube-type radar guns drew enough power that the battery would slowly go down, and the car might not start. The Voltector would start to emit a low growl that rose to a high pitched squeal as the

battery voltage dropped. The traffic cop would know to start the engine and recharge the battery, so he was saved the embarrassment of calling for a battery “jump” when he tried to go after the next speeder!

Another device was a monitor for radio transmitters, which connected near the tower or antenna and ran a single coaxial cable to a test plug in the building. A standard analog micro-amp meter connected to a passive detector in the little box read the average signal strength from the antenna. The reading would be adjusted so that when the transmitter was known to be putting out the right wattage, the needle was in the green. When something went wrong with the transmitter, antenna, or transmission line, the meter reading would drop into the red.

This was just a cheap, easily installed permanent (epoxy filled for waterproof operation) field strength meter, that gave technicians and even nontechnical people a quick status report on police transmitters, fire department radios, broadcast stations, or any other kind of radio signal used for communication or control.

It was such a simple idea that no one had thought of offering it by mail order to radio shops and owners of transmitters. There were already “field strength meters” of nearly the same basic design used by CB radio owners and amateur radio operators, just not built or marketed for this application. It filled a need for a quick, easy to use status monitor, even though it did not have any official FCC monitoring certification or give precise power readings like the instruments one would use to actually tune up the transmitter.

There were lots of similar ideas, inexpensive yet useful gizmos, each of which had its own little company and was sold as such, as a going concern and not

as boxes full of parts with soldering irons and test meters. As in the quote of Dr. Samuel Johnson selling a cooperage in old London, “think of it not as barrels and staves, but as the means to riches beyond your wildest dreams of avarice!” Obviously the idea of selling a going concern rather than its tools and inventory is an old one indeed. The wonder is that anyone would fail to see the advantage in it.

Unfortunately, my well of electronic gizmo ideas finally ran dry. Steve Jobs thought of the home computer and Bill Gates thought of buying Seattle DOS and selling it as MS-DOS to IBM, and I thought of learning how to make bullet swage dies. So why are you listening to me? Never mind...

Why Merit May Not Matter

When an inventor comes to me with an idea, the first thing he wants is confirmation of the technical merit of the idea, followed by recommendations for people who would buy it. When an investor comes to me looking for an idea, it is usually with the thought that he can build a production facility or get equipment that will produce the concept quickly in high volume to sell at low cost to the general market.

Sometimes an inventor finds an investor (the idea man gets a money man), and they both come to me, or one comes representing both, with the idea of going high volume, low margin, and taking over the market based on the superior merits of the idea compared to what is already on the market.

But when it comes to mass production, or to selling the idea to a mass producer, merit may be the last thing of any importance.

This may seem to be a contradiction of the most basic philosophy of capitalism. Build a better mousetrap and the world will beat a path to your door, right? Possibly so, provided *you* are the one who builds it, and you package it and market it correctly.

But what if most of the people in the market for mousetraps can already get quite satisfactory ones at least as cheap as yours, so that there is no overwhelming economic benefit to the existing manufacturers of mousetraps regardless of the technical superiority you offer?

This is usually the situation with most bullet designs, in the mass market. To be mass produced, a bullet has to compete with satisfactory designs that have been around for nearly 200 years in some form or an-

other. The people making them have well established product lines, millions invested already in advertising and promoting the existing products, a wide and deep acceptance of what they already make, paid-for tooling and equipment (in some cases, paid for by your grandfather's tax dollars during World War II), and therefore, they have a huge vested interest in keeping things just as they are, with any changes or improvements coming mostly from the marketing department.

In other words, here you are in the headquarters office with your patented bullet that has golf ball dimples all over it, and you have some kind of proof that this makes it fly twice as far with half the powder. Does anyone really care besides you?

No.

You represent an unwelcome interruption, because they have to somehow keep from dozing off while you plow through all the technical papers you brought, show them the graphs and charts, and pass around samples that will soon go into the trash cans. And usually, being polite people, they need to somehow find the words to gently let you know that they really are not interested, without somehow offending you. Or if they are experienced, they will be unavailable when you try to reach them. It is easier and wastes less time.

If you are lucky, you'll run into someone blunt enough to tell you exactly why they are not interested, no matter how much it hurts your feelings. That will save you a lot of lost effort that you could be using to make some money another way, if you understand the logic behind it instead of letting your emotions rule your response.

Why are they uninterested? Well, to you, the bullet is a technological miracle for which the handloader

would be willing to pay at least as much, if not more, than he pays now for the current crop of common bullets. The benefits are, to you, so obvious and overwhelming that anyone would be a fool not to start making and selling the product as soon as possible.

Yet, you don't have to retool an entire production line to make them, figure out how to quickly convince the general public with a new and expensive advertising campaign complete with new color brochures and catalogs and dealer displays and packaging, and how to convey a technical argument to somewhat conventional, conservative buyers who have already been convinced that the existing bullets are the best thing that ever happened.

And on top of all that expense and effort, the company will have to pay you something, and in the process very likely irritate and offend some of their own staff people who are already being paid to do that kind of research and development.

That is one reason why a better idea doesn't always sell. There are plenty of better ideas that cost too much to implement compared to the amount they would marginally increase the current return on investment. Merit may not matter, in circumstances where the bottom line is about the same or perhaps better just by making some packaging or distribution changes in the existing line. The mass market consumer, in a conservative, tradition-bound field like the firearms market, may not be all that interested in the bullet that "looks funny".

But the custom bullet market is a whole new game. In this field, merit is just about all that matters. Price isn't even a big issue. Most custom bullets sell for five to ten times what a mass produced bullet costs. The custom market is a market of advanced shooters who

do appreciate technical merit, and seek it. But there are not enough of them to justify the interest or investment by a mass producer.

There are enough boutique bullet buyers to create a healthy income for one or two people, though, for the rest of their lives. Since most custom bullets sell for around a dollar (some as much as two dollars each, some as little as fifty cents), they are mostly used by people who place a high value on bullet failure. That is to say, if they buy a cheaper bullet and it fails in the intended use, a high cost will result without the intended benefit, which justifies paying a high price for a bullet that will work with more reliability than the cheaper options.

An example would be the typical big game hunter who goes on a guided hunt. The cost of the average hunt has risen to between \$3,000 and \$10,000 today. Some are higher than that. If you also count the transportation, meals, lodging, taxes, and other fees, an average guided hunt could easily exceed \$5000 to \$20,000.

Now we are talking some monetary incentive to get the very best possible equipment and bullets! Who cares if a box of 25 bullets costs \$37.50? That's less than the bar tab the first night in Zimbabwe. That's a lot less than the tip for the guide, unless the hunter is an incredible tightwad and doesn't plan to come back, or the guide accidentally shot the client instead of the elephant.

If this Safari Club member doesn't buy the best possible big game bullet for his particular kind of game and his caliber and rifle type, he is taking a risk that the big trophy that he spent all that money to get, or maybe one of the trophies he plans to take on the trip, will be lost. A bullet failure could also be fatal unless

the backup gunner or guide is quick and accurate when that Cape Buffalo suddenly appears in the tall grass fifty feet away and decides to run full speed into the hunter with nothing but horns and skull, bobbing up and down, for a target.

See the difference between average Joe Deerslayer and Safari Sam? One is a mass market buyer who won't buy even the cheapest brand of bullets unless he gets a discount from his favorite dealer, and the other is a boutique bullet buyer who will pay whatever it takes to get the very best, so long as he is convinced it is in fact the best for his purpose. And that is done by marketing and promotion, not by discount pricing.

Aside: Please don't think I'm being disrespectful to deer hunters. Some of us are just as quality conscious as any other hunter of noble game. But you have to go with the averages. Whether it is "politically correct" or not, there are more venison meat hunters than trophy deer seekers, just like there are more men than women involved in the custom bullet business. Doesn't mean women can't do it. Some do it very well. But you can't seriously discuss an issue if you don't acknowledge the facts, and averages are just another fact.

The inventor who has it strongly in his mind that the only way to make money is to sell the idea may spend years going from company to company and being politely rejected. He may eventually convince someone who will quietly make changes that get around the patent and accomplish nearly the same performance, so that a year after the visit, the company has a similar product, amounting to legal theft but so what?

Patent or not, you have to be able to afford to take it to court, and you have to be prepared to battle it out with company lawyers who are on the payroll anyway. There is a more than likely chance you will not prevail, because these people are not stupid in most cases (yeah, sometimes they are... Do you want to count on it?)

Disclaimer: I am not a lawyer. I pay lawyers to do my legal work. I am not giving you any legal advice or in any way providing legal council. If you want advice that has legal weight and authority behind it, hire your own lawyer! But I am telling you this as a business person who has been around for a long time and has seen this business from a lot of angles. It is just my opinion.

Having said that, I can also say that I have just about been brought to tears by the pathos of some of the inventors who have dragged themselves in and sat across the desk from me while going through their show and tell act for what must have been the thousandth time, because in spite of it all, they still have that dogged spark of hope burning, weak and tired though it has become.

It is so sad to watch them nod and not hear a word. I tell them how to start turning that idea into income. But they just can't hear it anymore. They have written their goal in stone. I only hope it isn't on their tombstone. They simply will not open their minds to the thought that perhaps the best person in the world to make and sell their idea is... Them! Yet they will not even try. I think they are afraid to find out that it might not work, might not sell after all. But usually, any reasonable idea can be marketed.

It would be less work and less expense than traveling around the country whenever they can scrape together the money and wrangle an appointment with

someone who would probably rather not see them, but is too polite to refuse. That doesn't include me, by the way. I want to help. I think that a third of the people I see will benefit from it, a third will do fine whether they see me or not, and a third will never get any benefit from anything. It is surprisingly similar to another experience I had, which I will now relate to you.

Once I was involved in a project to write software for a psychologist, who had formed a company to give advancement tests that actually could predict a tendency toward drug use, and thus give the company a legal basis to ask for drug testing for certain individuals. In the process of writing the software, I got to know the psychologist pretty well. He confided in me that his field was a bit of a racket. I asked what he meant by that, and he said there are three general cases of people and three outcomes.

“About a third of the patients just need to talk to someone who will listen and they will get better on their own,” he said. “I collect my fee and I hardly say anything.”

“Then, another third of them are beyond anyone's help and no matter what anyone does they won't get better. I collect my fee and I hardly say anything.”

“Finally, the last third of them can actually benefit from some of the things I have learned. So I earn my money one third of the time, but in two thirds of the cases they get better and in one third no one else could do any better!”

Now, in baseball, if you hit 0.333, you are doing pretty well. Based on that comparison, only failing one third of the time is not a bad outcome. Skydiving? Not so much...

Unholy Partnerships

Most partnerships are miserable failures in this business because they consist of an idea man and a money man, each wanting what the other has, and each thinking what he is contributing is by far the most important immediate asset.

The idea man usually is a handloader and is dead broke. Or thinks he is. Or is too cheap or fearful to risk his own funds. It all amounts to the same thing.

The money man is usually someone who has a smattering of knowledge about handloading, enough to be dangerous, and he is somehow convinced that the idea man has something that he can invest in and turn into a stream of income.

The idea man thinks his idea is brilliant and should make millions. He usually has an extremely unrealistic idea about how big the market is, how interested it is in innovation, and how fast he ought to get rich from his idea or how rich he ought to get.

The money man thinks the idea man is a twisted genius of some kind (at first, but later he thinks the idea man is a con artist, and then an idiot). He believes that with firm financial guidance and good management, the idea man can be steered in a direction that will make them both some money.

The idea man does not wish to be guided or steered. He is, after all, the one with the valuable idea. And usually, he is the one who will do all the work and have to make all the bullets. The idea man considers it more and more evident, as the months go by, that the money man is just going along for the ride and not doing a darn thing but complain about how slow the profits are and how much everything is costing.

The money man thinks that the idea man is slacking off because all the promised sales have not yet appeared two or three months after he handed over a hunk of money. Neither of them knew anything about marketing in the custom bullet field, and both assumed that the world would beat that proverbial path to their door because the idea was so fantastic.

The idea man begins to really get fed up with the constant carping of the money man. All that guy does is complain, but he never comes down to the shop and gets his hands dirty. Of course, if he did, he'd just be in the way because he doesn't know enough about making bullets to be much help.

The money man thinks that six months is more than enough time for this whole thing to have paid off and he's ready to ask for his money back. The idea man needs another five hundred for brochures because someone finally published a column about the new bullet and people are asking for information.

The money man has had it up to his eyeballs and demands his money back. The idea man goes into a rage because the money man is backing out just when things are starting to show real promise. Besides, he never had any money himself and he has all the investment tied up in equipment and supplies and advertising now. In fact, he's been living hand to mouth without any income while making all those bullets.

The money man hires an attorney and sues the idea man for his investment and court costs. The idea man skips town but forgets that he has a house that can be subject to a lien for the judgement upon sale. He vows never to sell it, just to spite the money man. But times are tight and the money man got all the equipment and supplies in the judgement, so the idea man has to sell anyway. The money man gets the rest of his

judgement but both of them are bitter enemies forever.

And the idea?

Both the idea man and the money man now think they own it. Whenever either of them tries to bring it to market, the other one threatens to sue. But the idea man can't really afford the legal costs, so eventually the money man winds up selling off the equipment and the idea to some third party, who does it all himself and two years later is happily in the black, making a modest part-time income.

The idea man finds out about it years later when he reads a magazine and sees his idea being made by someone he doesn't know. But by now he is trying to interest another money man in yet another idea, so it doesn't matter. He still has no money to hire lawyers and sue people. And now he thinks that is the secret to riches, which shall remain forever beyond his poverty-limited grasp unless he can just convince that next money man to invest in this new idea.

In truth, the idea man had all the money he needed. His house had more than enough equity in it to pay for a modest start-up operation. A few thousand dollars would have done it, including the advertising. But he would have had to work part time at another job during the first two years, and of course, he wouldn't consider that. Likewise, there was no way he would take out a second mortgage on his home! Why, what would happen if he couldn't pay it back? The risk was just too great.

In fact, he could have easily paid it back. It cost less than he usually spent on cigarettes and beer and movies and lunches every month. He could have benefitted from the weight loss, too!

The idea man also had a full time job that he really didn't like, at the time he conceived of the idea. He could have stayed with it two years, lived much more frugally and saved more than enough money to finance his own business without any outside funds. But he was far too impatient for that.

The money man had no business investing in something he didn't really understand. He was not a venture capitalist, but was just a working man like the idea man. The money man had a somewhat better job, and had managed to save more. The only reason he was investing in a business partnership was to get ready to retire early. He hadn't thought about that until the idea man looked him up, an old army buddy.

But the idea man seemed so confident and so convincing. The idea did work. They both went out and shot some prototypes that were made on borrowed equipment. It was impressive. So thoughts of early retirement started working on the money man's mind, and he decided to take the risk. He could afford it. But he really needed to have that money back in a few months in order to maintain his comfort level.

He wasn't prepared for the length of time it would take, and the idea man wasn't prepared to be as frugal with that easy money as he might have been with his own. None of it was really wasted, but then again, there were a lot of expenses that could have been delayed or traded for additional labor.

The idea man might have worked with the money man on marketing and mailing, stuffing envelopes, writing letters, contacting vendors, but neither one did a lot of that. They were just lucky that the few writers the idea man did contact produced one new product column.

The story you have just read is real. The names have been changed to protect the writer from harassment. (The money man's real name is "Cash", and the idea man's real name is "Gertrude".)

But if you can overlook the specifics and dwell on the generalities, you can see that partnerships of this nature are a disaster waiting to happen. In my 40 years or more of observing them, I have yet to see one work out in the long run.

There are good partnerships, of course, but I doubt very much that one person is an idea man and the other is a money man. I believe that most of the partnerships I have seen that seemed to be working were between people with equal complimentary skills who both worked hands-on, side by side, and both probably put in about the same amount of money and sweat equity.

When I was young, I took on a partner for money. It was a mistake, but I sold my interest in the corporation and avoided what I could see was a building conflict of goals and personalities before it ever reached the level of a disaster. The corporation was at the peak of its success when I sold my stock, and four years later it was bankrupt. I should have felt vindicated ("Ha, you can't make it without me!") but I just felt a little sad.

I picked the wrong partner, so his failure running my business was my own fault. I learned my lesson, and have never since taken in a partner just for money. It is not that hard to find financing if you are willing to bear the risk yourself. And if the idea is any good, why aren't you?

The Art of Press Releases

Marketing is an art, but it is a rentable and scalable art. You don't have to be or hire the best talent in order to be successful. Most of us can't afford the best talent anyway, but all of us can apply the best techniques within our budget. You can rent bits and pieces of talent to take care of the things you really do not feel up to handling yourself.

For instance, anyone can make copies of a press release and mail them out to 90-100 writers and publishers each month. Getting the names and addresses of the writers and publishers would be a long process except I've already done it and make it available to my clients. Yeah, free, if they actually are buying equipment, but not to anyone who walks in the door. It was a long process... And it never ends, because publicity contacts change jobs, addresses, retire, die. (No one said it was easy to keep up.)

Writing the press release is, at this time, about a \$70 task for us, or if you hire a publicity firm you will probably pay from \$250 to \$500 a month retainer and expenses on top of that. You need a press release at least every two months to be effective. You can write one yourself after you see a couple of examples, most likely. It isn't hard, but you do need to follow a certain format just to avoid appearing too "off the wall" to be taken seriously.

There is no formal press release layout that is required to get you noticed, but there are a few things you should and should not do. First, you need a simple, descriptive title, like "New Cowboy Action Bullet" to anchor what the rest is about. At the top of the page, you need a modified letterhead, which has your com-

pany logo, name, address, phone, fax, website, e-mail, and a contact name if it is different from the company name.

This has to be printed in a font and size that can be easily read. I've seen too many letterheads in Old German or Old English just because the amateur producer thought it really looked "cool" in that almost unreadable font (and usually in all-capital letters to make it even harder to decipher). Ariel or Helvetica fonts are best: simple, clear, basic.

On the left top side should be at least 24 point letters stating "PRESS RELEASE" and a couple of spaces under that before the date. You probably don't need a traditional byline with a location because you already stated all that in your upper right company information stack.

Then comes the centered bold title. And about three paragraphs double spaced with the actual information, written as if a third party or a reporter wrote it, talking about the product not as an employee, but as a mildly skeptical, objective voice quoting the statements of the "president" or "owner". Direct statements are mildly qualified, such as "The new bullet is said to improve expansion by..." Rather than just saying it does.

You can freely use such statements as "According to owner Jim Blowgunner, the new bullet was designed on a Cray Supercomputer rented from a dissident National Oceanography Administration scientist" but should avoid saying "This bullet is more accurate than anything in its class".

You can state verifiable facts if you are capable of identifying them yourself (some people think anything that can be proven in any way is a verifiable fact, when the means of proof have to be rather self-evi-

dent here). For example, you can say “The bullets are packaged 25 in a box and weight 230 grains” because anyone who owns a scale, eyes, and can count to 25 can verify it.

You cannot state arcane, hard to verify facts without attributing them to someone at the company. After all, the company spokesperson can say whatever they like, true or not, and it doesn't reflect on the magazine. But the press release is designed to be published as if the magazine itself is saying or reporting the story. Pretend to be that reporter when you write it.

In the press release, be sure to spell out the benefits to the user. Concentrate on benefits, rather than merely on features or superlative generalities. Don't bother to say the bullet is the most accurate, best made, most carefully handcrafted device ever seen on the face of the earth, or anything similar to that. If the benefit is tight tolerances and precision control over diameter and weight, you may have a hard sell. You need to translate it into what that does for the shooter that he won't get from over the counter bullets.

Press releases need to end with a “for more information, contact...” And then put in as many ways to reach you as you have available. Print this on white paper, and use black ink. The header and logo can be color, but the rest should not be. Remember that some editors are getting on in years and may not see as well as you do. Besides, it is just polite to use a font that is clear and readable when the poor fellow has to read all day for a living.

Use at least 11 point type, preferably 12 point, for the body, and make sure that the margins are extra wide at both sides to leave room for editing marks and changes. A one inch margin is none too big. Better

would be 1.5-inch margins on the left, right and bottom. Double space the writing. Keep it down to about three paragraphs, not more than one page for sure. If you feel the need to supply more information, do it with a separate “FYI” (“For Your Information”) paper.

Feel free to enclose as many black and white photos as you want and can afford (no editor ever minded getting from three to five different shots of the product). But you might just add a personal letter with one or two short paragraphs, letting the editor know that you can send color slides, black and white prints, digital images on CD-ROM or floppy disk in 300 dpi TIFF format, or whatever else your capabilities may be. Offer to send samples if the editor wants them. (I say “editor” but this also applies to writers you may contact.) Don’t bother to send color prints or snapshots. Those are useless. Digital images or transparencies are the two ways publications can use color photos.

Press release writing is an art, but it is one you can learn. Besides, it is the cheapest advertising you will ever get. To be effective, you must repeat the mailings on a regular basis, at least every two months, and preferably every month. Of course, if you have no new products, you need to restate the benefits of the old one.

Always look for new firearms, new ammunition, magazine cover stories, and other ways to tie your product to what is hot and happening. You have to do constant magazine scanning to keep up. Your ability to make logical connections between a new firearm or other news-making product and your own is important in maintaining interest in your press releases.

For example, suppose you are selling a certain design of 40 caliber pistol bullet for the 10mm autos.

You may realize that the .40 caliber bullet can be used in .38-40 Cowboy Action shooting, so by using the same tools and simply making an appropriate length and weight of bullet, you have a new market and product. In fact, the same bullet might be sold for a different purpose just by putting a cannelure on it in a different location.

Sometimes, the way you sell a bullet is the main benefit to the buyer. Suppose you offer a .45-70 paper patch bullet that you sell three ways: just the bullets, bullets with the patch already applied, and a kit with assorted paper thickness to match different bore variations. Or supposed you sell three different weights of bullet in one caliber and shape (actually you can sell any number of weights with swaging equipment).

Instead of just offering them in boxes of 25 or 50, suppose you announce that you are offering experimenter packs which have 30 bullets, ten of each weight, in one box! That way, a person can shoot at least two 5-shot groups of each weight before deciding which one to buy in larger quantity.

Or suppose you get a very fancy package, a reusable plastic box of some particularly nice design. You sell the box of bullets for an initially higher price but offer to “refill” the box at a discounted price if the customer mails it back. This is more of a ploy to secure the repeat sales than any big saving for you, but it may bring you additional income from people who otherwise could drift away to some other product.

Another thing that helps bring in sales is having a very complete, extensive line of similar products, even though you absolutely know that you won't sell enough of the odd-ball sizes to justify them on their own merits. The tooling becomes part of your adver-

tising cost rather than capital outlay, in effect (but not for tax reporting). For example, suppose you make a fantastic 12 gauge slug. You can probably sell 20 gauge also. Maybe even some 16 gauge. But 10 gauge? And the .410 “gauge”? Still, if you have the capability and can do it, you can advertise “the only source of all sizes from 10 to 410” and issue such a press release.

In fact, why not go all the way and really rattle some cages? It doesn't cost much to get tooling for an 8 gauge and a 6 gauge. I know, no one but that old collector in Maine and the rich oilman with the punt guns will buy any. So what? You bought the right to say can make them, and that will get you more free mentions, worth thousands in advertising, to sell the same old 12 and 20 slugs. People will read that column and say “Hey, this guy makes 8 gauge!” and they'll remember who you are. Recognition is most of the battle.

Then suppose you throw out a new twist in the next press release. You will give away one 6 gauge slug to each customer who buys a box of 12 gauge or 20 gauge slugs before the end of the month of...(pick a month when the magazine will have been out for a few weeks at least prior to the date the deal starts).

I've had more than one discussion with associates who were convinced I was missing a critical mental component or just had no concept of reality when I suggested bringing out an unusual product that we all knew would never sell enough volume to justify its own production cost. But the entire reason for it was to attract attention, the same reason you spend money for advertising, or buy a big sign for your building, or pay more for a good location.

Of course we won't sell very many dummy 1-inch Gatling cartridges, but boy, will we get a lot of men-

tions in the magazines which will bring inquiries from shooters, giving us an opportunity to show them what else we have to offer. Advertising and promotion take on many forms.

The “bigger picture”, the long run, may be far out of the average fellow’s line of sight. I do not know whether seeing further ahead can be “learned”, or whether (like drawing ability) it is something that a person can only learn to recognize and appreciate in others. I do know that there are people who just don’t understand, no matter how carefully it is explained, that the seeds of today are the flowers of tomorrow.

Balancing what you can afford to “overspend” on something that pays no immediate benefit against the likely and probable returns at some foreseeable future time is a touchy business. Some may make unfounded, illogical assumptions about the payoff potential to justify spending far too much time, effort and money on a pet project. Others may see nothing that doesn’t pay a connect-the-dots (with only two dots showing) benefit in excess of current cost as being a waste, even if it later is shown that doing it brings in several times as much business in other ways, perhaps attracting new clients who later buy other products.

There is an art or skill involved in making that judgement. There is also a large dose of chance, because we really do not know the future, even if we have a good track record of applying assumptions based on the past. There are paradigm shifts in business just as there are in technology. Recognizing that you can be wrong, no matter how good your past judgement, is the brake that keeps your marketing and promotional train from running off the tracks. The art is in just touching the brake pedal from time to time

rather than slamming it on whenever something seems to be lurking at the next crossroad.

The time and money you spend on press releases is just one example of sowing for tomorrow's flowers. It takes some faith that the principles you have learned are going to work again, and it takes some restraint to keep from overspending because, after all, they might not. In most situations, you want to decide in advance what you can afford to spend so that if the worst thing happens, you will still be able to go on and try something else. That is, usually, you don't want to bet your whole stake on one promotion. Steady, repeated smaller doses cure the lack of sales better than a big splash, in most cases.

I'm hedging my words on purpose and hope you notice it. There are some times when you really must make a burn-the-boats, no turning back attack. Sometimes you do bet the farm. But usually those are times when you have no other option that has much chance of working, and you feel confident in the plan, and confident in yourself in case you have to go out and build another farm. Those times, fortunately, are few.

Here is another tip about press releases: make sure you don't fire all the barrels at once! In other words, pace yourself. Say one thing clearly, then wait and send another press release that has another single clear topic. Don't lump all your products and benefits and offers into one press release! What will you say next month?

It is always more effective to present a single product, clearly and simply, than to blast away with a pepperbox of products and features that leaves everyone confused. I know first class stamps have gone

up, but you only need about 90 to 100 of them each month. It isn't like you are buying that many thousand dollar ads.

Press releases are best sent to a column writer or editor for new products, for handloading, or something that is related to your product. Don't send them to the chief editor or publisher unless you have no other choice. Or rather, if you do send them to the general management and writing people, be sure you also send a separate one to the new product or handloading editor. If you don't know who that is, call the magazine and ask.

Here is another tip: you may want to write multiple versions of a press release, with each one geared to a certain audience. For instance, if you send to a cowboy action magazine, the tone and style might be different from *American Rifleman* or *Guns and Ammo*. Different magazines have different writing styles. Some like the columns to be light and chatty, some like them serious and formal. Some enjoy a little humor, others do not. Read the magazines (novel thought!) and see which style would best apply. Then write two or three versions of the same press release.

Should you send sample bullets? No, not unless you send a letter to the writer first, and ask if they would like to have some for testing or just to try for a possible future article. It a bit of an imposition to just send a couple of boxes of bullets to someone.

You might think it is very generous, but to the busy writer, it is like an intrusion he didn't need and didn't ask for, more or less an insult! It is like saying "Hey, writer, you don't have anything better to do with your time, so how about giving me a free article worth about

\$10,000 in sales over the next year or so? Here's \$50 worth of bullets for your trouble."

When you look at it that way, you might start to see why sending off free samples isn't such a great idea unless you politely ask whether the writer has any interest. You must not expect or demand any articles or other response. If he does it, great. You won the lottery.

With press releases, you may get a 1 or 2 percent response ratio. That is, if you mail out 100 press releases, you could expect 1 or 2 writers to eventually put something in a magazine about it, perhaps to copy the press release entirely or paraphrase it. Does that shock you? You think you wasted 98 to 99 percent of your postage and printing and effort?

No, you didn't. The others read your press release. Now they know something about your product and company. At least the next time you do a mailing, they'll be somewhat familiar with it and not toss it out as fast. Then the third time they'll start to wonder just how persistent you are! And after a year, when they've received at least six and probably twelve press releases from you, it is quite likely they will start a file on you if they have not published anything yet.

Eventually, a story will come along that fits with your products, or a column will have just the right number of empty inches so your press release will fill it. Some of them won't ever publish your information, so you will start to weed them out of the frequent mailings and send them every other time, then every quarter, and perhaps after that, every year one time.

You never want to write them off totally unless they call and threaten to drive a pickup through your computer room if you send them one more press re-

lease! But you need to saturation bomb them with press releases for a year, then note who responds, put them on the A list, and move everyone else to the B list. The A list gets every press release, every photo, all the sample offers, and sometimes they get personal letters and such from you. They always get a Christmas card if you send them to anyone.

The B list gets nothing very expensive but they get press releases anyway, every other time. After a year, you adjust the lists again. This time, you move people from the B list who have responded up to the A list, and you change the policy for the B list. Now it only gets a mailing once a quarter.

Another year goes by. You adjust the lists again. Now the people who have never responded go to the new C list, which is like one foot in the trash can. They get a mailing once a year. A list people have by now responded at least twice, or they are brand new and get a year to prove themselves. B list people are now people who responded in some way, once, but just didn't do much after that. They showed interest, though, so they don't go to the C list ever. They get quarterly mailings.

Everyone on all lists should get a special mailing when you have a really new product. And it might pay if you took some time and wrote or called each person on the C list to ask them if they wanted to continue receiving information from you or not. Ask them politely if they would prefer not to receive your press releases. Tell them that in these tight economic times with the high cost of postage a small business like yourself needs to make sure that they are not annoying anyone with unnecessary mailings about things in which they have no interest.

And update your lists frequently by calling magazines and asking them for the name and address of their new products editors, and handloading columnists. Your mailing list for PR is a valuable asset, even with a 1 or 2 percent response rate. One response can be worth a great many paid advertisements. If you say it, the public takes it with a grain of salt. If a writer says it, it is like Moses or even Charlie Heston himself wrote it on a stone tablet. Thou shalt buy.

But first, they will probably send for a brochure. Whether or not they buy depends on what you send back. If you charge for the brochure, you will weed out those who just collect information. Make your best offer, send your coupons, your most eloquent illustrated material showing them the benefits, and of course make it easy for them to check a box, or call, or order on the web. The less people have to write, the more likely they are to buy. Postpaid order cards work, but leave no space for people to send you messages! Otherwise, you'll get to pay a premium for a scribbled note on the only blank spot on the card—and get no order.

Most magazines will sell you reprints of an article or column at a reasonable cost. Usually you need to buy at least 2000 reprints to get the price down to a few cents per copy. But sending out a magazine reprint under the byline of a writer is more effective than sending your own information alone. It gives you some “back up credibility”.

All of this may seem to be based on smoke and mirrors, no hard numbers, no absolute black and white figures you can use to judge your ability and effectiveness. But there is a way.

Each customer is a person or company or agency who purchased a certain value of goods or services. You have two absolute numbers: the number of customers, and the value of what they purchased. If you divide the number of customers into the total of what they have purchased, you have a value that could be called “historical average value of each customer”, which is a harsh-sounding title indeed, but it tells you in general terms how much an average purchase would be.

You might refine this figure a bit by going through the list and charting the weighted mean sale value per customer rather than simply the average of them all, which is a statistical technique to reduce the effect of one big sale or smooth out the curve when you have a handful of very small sales that are not really typical.

What you want to do is find out, within reason, about how much you can expect your average customer to spend. If you are just starting out, this exercise is not a very good predictor for the future, but the technique is worth doing anyway, to establish a trend line and see how you are doing in comparison as the business continues.

You can sum the total of all clients and all purchases, or you can break it down by years, months, quarters, weeks, whatever makes sense to you. With the right software you can have it all to examine. But the important point is to have a benchmark, no matter what time period it covers, so you can repeat it over and over and make a comparison to see how you are doing.

You also have another figure that is written in stone, so to speak. You have a cost for advertising and promotion. If you are a small business, likely the figure is far too low because it only shows the checks you wrote

to printing companies, advertising firms or magazines, the money you spent for postage to mail your flyers, the cost of copywriting and photography (but not necessarily the cost of your digital camera, which has to be amortized over its expected life-span to get a realistic cost per unit of time).

The missing figure is the cost of your time spent in getting names, writing press releases, and stuffing envelopes, taking the pile to the post office, standing in line, and so forth. All the things you would have to pay someone else to do, if you didn't do them, represent a cost that you probably don't have in your checkbook.

But if you want to find out the true cost, you can do it in one of two ways. First, you could estimate all the time you spent on the promotional activities, and then assign a value based on what someone would charge you for doing it. Second, you could estimate what you normally make per hour when you are doing something other than these activities, and assume that you have lost that much by not doing them while busy promoting.

The most supportable method, in terms of hard figures, is to actually get a quote from a public relations firm or a local advertising agency for handling exactly what you have already been doing. This isn't a bad idea anyway, since it lets you know if perhaps you ought to let them handle it. If you are fairly sure that spending ten hours a month doing something else would bring in \$300 extra dollars, and the agency would only charge you \$250 to take care of the promotion work that now eats up those same ten hours of your time, go for it!

Whatever you discover your time is worth, or the work you do would be worth if you had to pay some-

one else to handle it, should be added to the direct cost of your promotions.

Now you have three figures. You have the number of clients, the amount they have spent collectively, and the amount that it cost you to get them. Gee, what more do you need?

You can now divide the number of customers into the amount you have spent to get them, and you have a cost to acquire a customer (average). Let us say that you now have 50 customers, ranging from people who bought \$10 worth of sample bullets to a few who bought \$200 worth, and the average sale is \$50 (that is, you added up all the sales, and they total \$2,500).

Are you with me so far? You divided the total sales of \$2,500 by the number of customers (50) and the answer was \$50 average sale per customer.

Now, you add up all the postage stamps, envelopes, printing costs, and maybe even the price of a mailing list that you bought, and the total comes to \$300. (We are talking about a very small, one-person start-up business here, something beneath the dignity of a self-respecting college textbook on business, which would have you starting out with a \$10,000 market study.)

Now, you did some checking and estimating and decided that it took you about 5 hours to send out all your press releases, including the time to write them, stamp the envelopes, make the labels, and so forth. You work at a second job where you get \$20 an hour, so assuming you could have put in 5 hours there, it would have been worth \$100. You also checked with a local ad agency and they were more than happy to do the whole job for \$500 including the materials and mailing.

So now you have a couple of ways to value your cost of getting those 50 customers. You can add \$300 of your actual checkbook expenses to an estimated \$100 for your time, and figure the total cost of promotion was \$400. Or you can assume that if you had used the ad agency, you would not have had to spend that \$300 for supplies and services, but instead you would have had a \$500 one-source check to write. In addition, you would have had 5 hours more time to spend on something profitable, possibly making another \$100.

So either way, you either did spend or would have spent \$400 total when you add the costs and subtract the income potential. Sounds about right, in that case. You wouldn't expect it to come out exactly the same in real life, but the lower cost method will be clear!

Now, divide that expense of promotion by 50 customers that you actually have, and you get a cost per customer of \$8. Each customer cost you, on average, eight dollars to acquire. Each customer, on average, bought \$50 worth of product, which means that there is \$42 per customer left to pay for the cost of providing those products.

You have it written in stone, so to speak. The cost and the value of your promotion is no longer just smoke and mirrors. In retrospect, you can determine exactly what your promotion is worth. Therefore you can make decisions based on fact, at least pertaining to the expansion of your past efforts.

Some of those customers did not cost you anything in promotion, because you bumped into them at the post office and mentioned you had a new bullet they might want to try. And some of them cost you a lot more than \$8 because you spent money on brochures and flyers that were thrown away and didn't result in any sales. But on average, you know that if you look

at the business as a “black box” with a pipe marked “expense” flowing in, and another pipe marked “income” flowing out, you have just separated a part of the expense and quantified it in terms of how much income it generated.

You can also determine the expense involved in producing the product, by determining the cost of materials and the time required, and then assigning a reasonable replacement cost value to your time (that is, if you were to suddenly take ill and had to hire someone to do your work, what would it cost per unit produced?).

Let us assume that the \$42 worth of product actually cost you, in time and materials, including the box and the label and other incidental expenses, \$22. That means you have \$20 left, which is gross profit.

Let’s say that you decide to increase your promotion now. Based on current figures, you spend \$10 per customer instead of \$8, but in the same time period as you measured for the first exercise, you gain 60 new customers. Is this good or bad? Did you spend too much, or did it pay off?

Well, instead of 50 customers for \$400, you spent \$500 to get 60 customers. That is \$8.30 per new customer. It isn’t terrible, but it is worse than you did with your first promotion. You would want to evaluate what you sent, how you said it, what it cost, and who you sent it to. Maybe you sent the information to the wrong people, or just sent them too much material. Maybe you could get a better price for printing. Perhaps if you got a bulk mailing permit and did larger mailings, the cost per client would drop. These are just a few of the things you would think about, based on the hard facts and figures.

What if instead of spending \$500 to get those 60 new customers, you spent the same \$200 and got 10 new customers, but those customers each bought an average of \$100?

Or, suppose you had repeat sales from some of your old customers. Do you treat that as a new customer acquired? No, but you could look at the new average sales per customer for the new time period, rather than just the cost for acquiring new customers. Generally, you will find that it is much cheaper to get a sale from an existing customer than it is to acquire a new one. Your customer list is golden. It represents, on average, people who wanted your product enough to buy it and who would probably do so again.

You can keep track of repeat sales, and concentrate your main direct mailing effort on giving these folks advance notice of new products, special deals when you have a limited supply, thank-you notes and follow ups. In short, treat all your customers very well, but treat your repeat customers even better!

What does this have to do with press releases?

Press releases are the lowest cost starting point on the road to repeat customers, assuming you have exhausted all the personal contacts and local sales potential (the world is a much larger market than your local one, and we are talking about a specialty or custom bullet business, so it stands to reason that you will quickly run out of local sales potential).

The Patent People

Still reading, eh? Fine, you asked for it. Don't say I didn't warn you. If you have no sense of humor or are a bleeding heart liberal who believes that the world is owed a living by... well, anyone and everyone who can afford it in your opinion... In that case, I wouldn't suggest reading any more (ever).

I mean it all in a kindly way, and am writing because I hope the ideas give some guidance to someone, somewhere, who could use it. If my opinions should seem too personal, too harsh or too pendantic... I suppose that most people will recover, with time and therapy, or a bottle of Johnny Walker Blue Label.

Nondisclosure Agreements

Sometimes we are approached by a person who has what he believes is a potential wealth-creating new idea for a bullet design or application, and the first thing he wants is to have us sign a nondisclosure agreement so he can see what we think of it and have us produce some prototypes to show investors. I have to decline for these reasons, some to protect us, some to protect him:

1. We do not know if we may have already worked with this idea until we see it, and if we cannot see it until we sign a nondisclosure agreement, we are saying we won't do something that we may already have done! In fact, if the idea is actually practical, we probably have produced something like it before. After all these years, thousands of inventors and ideas, and hundreds of successful businesses arising from them with our help, it is highly likely none of us can

even remember if we saw the idea before or not. I can hardly remember whether I saw my wife's note to bring home a bottle of water or not (at least the handwriting still looks familiar...). After all these years of helping thousands of people with their projects and never stealing any of them, I can only say that if our reputation isn't enough assurance, then our signature on that paper would be equally worthless.

2. A person looking for investors (which is nearly always the motivation behind the nondisclosure paperwork, the patent filings, and so forth) is attempting to sell an idea in a mature (you could say "ancient") market which has achieved a high level of success with the ideas that have already evolved over the past 200 years of firearms history.

What we would rather do is help someone turn one of those ideas into a product, and sell the product themselves, proving the idea has an actual market and is profitable in production. Then, if he is inclined to find investors, he has a much more attractive set of options, including selling a business opportunity rather than just a design concept. A going business is far more marketable than an idea for a bullet, no matter how good the idea may be.

Everyone has an idea for a better bullet. The only profitable ideas are those that get produced. Very few custom bullets are unprofitable when marketed in a reasonable way, whereas very few bullet ideas—as ideas only—are marketable at all. For us to encourage the whole "intellectual property" marketability concept by participating in the trappings, such as nondisclosures and so forth, is a bit of a sham and I'd rather not do it.

3. We specialize in the custom bullet market and have so many clients who need our help that we can-

not afford to waste resources in the field of mass marketing. Firearms is a very conservative, slow-moving field at the mass market level, where the technical merits of a new bullet can be far down the list of desirable features.

At the top would be low-cost high-volume production, which means not making significant changes to the tooling or the marketing system. Mass producers have already spent over 200 years, in some cases, building a product line, distribution system, and brand image. It works fine, so why buy outside ideas? (Products, maybe: you may sell a mass producer 100,000 special bullets a year for a niche market, since it might be just the ticket compared to them developing the idea and producing it themselves in such low quantities.)

Again, getting involved in legal paperwork that is primarily of benefit and concern in regard to the mass market, when our specialty and reason for existence is something else, would just complicate our lives unnecessarily and imply support or participation in an area where we really have no expertise to offer.

If you think it is likely this idea is original with you, and we've never seen it before, and if we did see it you would need some kind of legal protection to keep us from disclosing it to others, then please don't even bother to bring it around. Take it to a mass producer straight away and let them sign. If they steal it, you can have all the fun of suing them, and your lawyer can have all the fun of billing you by the hour... for years to come!

We don't make bullets for a living: we help others do it, and most likely we have seen anything that is likely to work many times before. We have yet to steal any of them and get rich and retire in the Grand Cay-

mans beyond the reach of the local attorney who drew up the nondisclosure paperwork. If that had happened, would I be writing this now?

Here's a flash: people who make custom bullets seldom get rich. They can make a nice living, maybe even better than average. But get rich? The incentive to steal your idea is nonexistent. See that file cabinet, over behind the reception desk? Yes, that five-foot tall beige one with four drawers. Well, it is full of ideas of our own that have no risk of belonging to a client.

I don't have time to work on more than a tiny fraction of them each year. What do we need with more ideas? Give me more die-makers; those are worth stealing away from you if you happen to bring one along! But ideas? Please, we're overstocked. We give them to clients, free. Here, take a bag!

I have a term for people who put their faith in getting a patent and selling their idea, rather than selling the product itself. I call them "Patent People". It is a term of endearment, not ridicule. Sometimes they are looking for the easy way to riches, but often they are just earnest and misguided. I try to help, but they seldom hear my advice. I repeat: I am not a lawyer and my advice is my opinion only. Perhaps they are right not to listen. Judge for yourself—here it is:

I would prefer to work with a person to help them develop their idea. We want to make tooling that is affordable, and can be operated in a profitable way by one or two people, filling the modest but steady need for specialty bullets. The factories may someday purchase or copy the idea, but prospects of them doing so are rather low. Niche markets are fairly safe from mass producers.

I can honestly say the money spent on a patent usually should have been put into advertising and packaging your own product. The handloading market is a field that, taken in its entirety, might come up to the financial level of a few McDonald's hamburger franchises. It is an old, mature field with conservative buyers who are, for the most part, happy with what they have. Odds of an exotic idea being copied are slim, economic risk is nil, and if you sell the bullets for a few years before the idea is copied by someone who can make it far cheaper and faster on their high speed machinery, you are still money ahead.

The same mass producers who might copy your bullet someday are unlikely to have purchased your patent in any case. It is too easy to prove prior art or just thumb their nose at your limited legal budget while their attorneys, who are already on the payroll, bury you with procedural filings. They may dig up Civil War patents not in the computer records, which show the idea has long passed into government or public ownership. Then your patent makes a nice den decoration but is worthless in court.

Yes, it could happen that you patent an idea and eventually find someone to buy it. Do you think it has military application? Guess what: if it does, and they want it, they can get it. You may never see a penny for your trouble. But even if everyone plays nice, unless you are first cousin to someone in procurement or play golf with the general who happens to think his troops need a longer range bullet (or whatever you are selling), the odds of making anything from patenting and marketing the bullet to the military are, shall we say, remote? They are more likely to purchase small quantities of bullets from you for special projects than to pay you for an idea. That actually happens, sometimes.

I would not be foolish enough to say that a patent is always a waste of money in the bullet field. Sometimes you can get by with just a few thousand dollars in attorney fees and searches and official drawings and application fees, and it so happens your patent has something in it that a third party with deep pockets actually wants.

But I've seen this happen very seldom. I've talked to many more "patent people" who were still drifting in and out of offices with a tenacious grip on their tattered briefcases, year after year, dragging their papers out for one bored executive after another, who try to be polite and look interested until their eyes glaze over.

It is sad: patent people want to believe in their idea, and they do believe that a patent is the key to wealth, but they do not understand how to make money with it. I tell them to take a chance, use some savings, and start a little company to produce and sell your product. If it is done well, you can make a reasonable return on your investment, usually two hundred to five hundred percent a year (the investment is very small compared to the margins). If it doesn't work out, there is good salvage value and trying for a year or two should not cost more than a typical vacation or a second hand car.

Not trying means never knowing. I understand that never knowing could imply always keeping hope alive, and that in some people's minds this is an unspoken and perhaps unwitting reason to pursue the infinitely long road to "easy riches" instead of taking that immediate first step on the short path to harder work and revelation of the actual merit of the idea.

In other words, if you don't try, there is no danger of finding out your idea was not good. This is ego

insurance. If no one buys the untried idea, then it is “their” fault. If they do, you are out of it and they are the ones who responsible for the success or failure. Either way, there is no ego risk.

You are not the one baring your soul, taking a hard-money, real-world capital risk, making a product that must support your business. Maybe that is why so many inventors do not want to try to build their product and sell it. If that is you, then you just saved years of expensive therapy, for the price of a small book! Please feel free to send me any part of the savings in large or small bills—I’m not particular.

Another reason could be that they are not business people, and feel no competence in running their own business. That is a perfectly legitimate concern. It may be overcome by making up for certain weaknesses through hiring help for those areas, and focusing on one’s strengths in other areas. But sometimes the scope of skills required to run a small business is overwhelming. A person might not know where to begin. There is help for that, also.

A large number of self-help small business books are available. The Small Business Administration has publications basic enough for anyone to grasp. A friend or relative may have experience in the basics of setting up a small home business. And of course, when it comes to getting customers, promoting and advertising your business, I’ve pointed out many free or low-cost methods to get the message to the right people, including publicity lists, free web-site ads, free inclusion in our bullet-makers’ directory, a seven step plan included in our Market Information Package (the MIP), and help with advertising, logo design, communications issues, pricing, and much more.

If you start asking and reading, let me throw one warning buoy into your newly found channel: I have found that most college texts written about running a business are written by people who have never been successful small business owners. Some of them have at least been involved in business but usually at a level where they did not have to start at the bottom and build it from nothing (a teaching career would tend to preclude such a business career: a successful business career usually preempts one in teaching).

More than a few business texts are written by people who hate capitalism and everything it stands for, as evidenced by the tone of the writing and the nearly complete lack of understanding of the role of profit in business. You could catch a chill from all the frosty sneers in some so-called business books.

So, be wary in your reading. If the first thing the author tells you to do is a market study and casually mentions that it takes a sampling of at least 10,000 people to be statistically meaningful, get another book. This one was written for a much larger business model than we are talking about. In fact, most of the books you find in a college bookstore will be.

Their methods and advice probably work fine for General Motors or even for someone who has a half million dollar war chest for starting a “small” business. But for the person working out of their home, preparing to do a mail order business with no help other than a tax preparer, you can cross out entire chapters and write in “skip this, go to next step” because the studies and tests and preparation they are recommending would cost more than the entire business will make in several years.

You can pick up good ideas, possibly faster than from books, by reading some of the magazines writ-

ten for home business operators. Even these tend to be written for larger businesses, with more money to spend than you may have when starting. Still, basic accounting principles and some knowledge of the way the tax code works, especially regarding deductions and reporting cost of sales, is a good thing to know. You can have someone else do it all (for a price), but it is better to know firsthand what is going on rather than to hear about it after it has.

A great deal of what a small business person does is like flying a plane without instruments. You just feel your way, do the best you can with the limited resources available, and work smarter, harder and longer to get ahead, so you can start phasing in outside help and marketing ideas. Little airplanes without instruments sometimes crash in bad weather, and many small businesses fail when the outlook clouds up. The authors of business books would say it is because they do not have the resources to pay for the research to support the planning that a larger business would do.

Ah, but then, we have giant businesses filled with people sporting MBA degrees, supplied with huge resources, and these firms apparently get no benefit from some of their massive planning efforts. Otherwise, how did the New Coke fiasco come about? Why are there no current versions of the Edsel? How did the McLean taste-free burger manage to get on the market? I've never met anyone who said they liked it.

I won't even waste time discussing the "new business model" that was collectively debunked by the dot com crash (you remember the mantra: the "old" ideas of the "brick and mortar businesses" are dead and profit is of no immediate concern, only "eyeballs measured by hits" represent the "market" capturing the "hearts and minds" of the new, hip "visitor"). People

were willing to risk money just to advertise the vague promise of great profit at some unspecified future time, rather than taking the more traditional risk that an idea which has already been proven profitable on a small scale could be “scaled up” to make more profit. But at least the dot-com era had one thing right: you do want to show your new ideas to as many potential buyers as possible.

However, it is more practical to reach people using free publicity as frequently as possible, than it is to spend all your money on advertising. So you send out press releases to the right people in the firearms media, to writers, editors, publishers, and even to manufacturers of guns that might benefit from their customers using your bullets (to make their gun perform better).

You scrape up as much as you can afford and put together a good color brochure that explains the benefits of your bullet, telling people why they will be better off shooting it than a cheaper, mass produced bullet. You use as many low cost or free resources to spread the word as you can find, such as the internet, trades with other manufacturers in their shipping literature, cross-advertising deals, whatever gets your bullet information in the right hands without costing too much.

And you write, e-mail, call, and send samples to the people who most influence your ultimate customers. That would be gun writers. This is in addition to the impersonal press releases.

Yes, it is a lot of work. But it isn't difficult work. Some people even find it quite enjoyable. You get to read every gun magazine you can find, and locate more that you didn't know existed. You get to keep track of what different writers seem to like in bullets, what they wish existed, what they lament about the current of-

ferings, or what kind of guns and calibers they write about most often.

After a while, you have a nice card file dossier on most of the popular writers and magazines. You know who is most interested in the calibers you make, and what they like or do not like about existing bullets. Then you can send them a sample of something that you are fairly certain they will find noteworthy.

Maybe someone wants a very heavy 308, and wishes there are more round nose game bullets in the 200 grain and up range. Maybe someone else wants a bullet that breaks up as soon as it hits the ground so their 224 caliber bullets won't whine away over the next hill when they are shooting ground hogs.

So what if your original idea was to make a fragmenting 308 for police and a military 224 that would penetrate armor? The equipment can do the opposite, as well. And here is an opportunity staring you in the face.

Often, the key to business success is the ability to recognize such opportunities, and to use what you have in a slightly different way than you originally intended. Perhaps you will get back to the original idea later, but right now, this is a way to bring in some free publicity and probably some income. Yes, yes... Your original idea was to make the world's fastest 308 for 1000 yard competition, but who cares about it right now?

Here is an opportunity to sow the seeds of publicity, which in turn may sell something you can make right now, which in turn will bring income that lets you do your own thing, later. How many people are so stubborn about what they intend to do, that they ignore these opportunities? Believe me, a lot of people are. It is nearly impossible to get them to deviate from their original path. Too much ego is on the line, perhaps?

You need a good opinion of yourself to have confidence in your ideas. But you have to balance it with a little humility and reality, when it spells the difference between going broke and making an immediate profit.

The Patent People tend to be so focused on the concept of selling the idea that they can't be distracted by selling the product. All the techniques and tips I've outlined, the details about press releases, the concepts of technical merit and the pitfalls of partnerships are lost to them.

But not to you! If you made it this far, you are ready for the big wrapper, the general plan that incorporates these specific techniques in a profitable, successful way. The next chapter links them to a business plan that has always worked, for decades, and shows no sign of failing to continue to work even though the times, they are a-changin' (to quote Bob Dylan, not that I usually would).

Bear in mind that there are two components to a business plan. One is the economic analysis, which is basically a spreadsheet estimating logical and reasonable costs, sales, market size and your ability to estimate how much of it you might reasonably expect to capture, and so forth.

The other component is the conceptual portion, how you organize yourself, your thinking, your situation, your lifestyle, and go about accomplishing your goal (which you also have to clearly define, or else you won't know if you are getting there.) The next chapter is about the conceptual component of the plan.

Plan for Success

Many years ago, I wrote a little booklet to help my clients develop a business plan, and use it to develop a successful business. This simplified plan was developed for a custom bullet business, but many kinds of small businesses based on making custom products for a niche market could use it just as well. The plan identified seven steps to success.

1. Develop a concept based upon a unique niche in the market.
2. Establish a base of operations and communications.
3. Acquire the tools for production.
4. Refine and test the concept and techniques.
5. Develop good promotional tools.
6. Convince the opinion makers.
7. Evolve with your clients.

Develop a Concept

A unique product idea is not difficult to come by in the custom bullet field. The books published by Corbin are filled with ideas. Start with something of personal interest, that you know about from first-hand experience. Overly-complex bullet designs are difficult to produce at a profit. Simple ideas with excellent promotion will always outsell and, more importantly, will produce more profit for you than ideas so complex that you constantly struggle to get any useful production. Your clients won't be any more impressed with

a difficult design than a simple one, if you use the right marketing technique.

If possible, your design should have one major feature that makes it different from other bullets. Don't worry about other bullet makers. They have enough to do just filling their own orders. If you want to make more than one caliber, make bullets that have something in common. Your advertising will work harder for you if you specialize. Trying to make "all the popular calibers" puts you right back in the lion's den with mass producers: why compete when you can own a special market?

Concentrate on the value of being unique: do not try to sell a cheaper bullet than your clients can buy from the mass producers, and do not try to duplicate another bullet maker's product. Custom bullets are NOT designed as competition for mass produced bullets. They are superior products at a premium price. They are for people who want the best bullet, not the cheapest bullet.

At some point in their lives, nearly every handloader wants the "best" bullet available. The price is not an obstacle. Most custom bullets cost over \$1.50 each. Be prepared to know who is NOT your customer: the shooters who scoff and walk away as soon as they see the price were never your clients! You didn't lose them any more than you lost the business of those who don't like guns and don't ever buy anyone else's bullets.

The people who are looking for cheap bullets will find them somewhere else, and some other bullet maker can work much harder for a fraction of the profit that you will make, by recognizing that the one person out of 100 who is your potential client will more

than make up for all the others who walk off shaking their heads at the price.

A big game hunter who is spending \$10,000 on a guided hunt isn't going to worry about spending another \$37.50 for a box of 20 of the world's finest bullets for his particular gun. The handloader who just heard about a home invasion and near-death of a neighbor at the hands of a drug-crazed felon isn't too worried about spending \$15 for a box of 10 of the world's most highly effective defense bullets. Is protecting your family worth \$15?

Establish a Base of Operation & Communication

Until now, you could be working in temporary quarters without a phone, no mailing address, and no way for anyone to contact you regularly. It's time to get a permanent address other than your home. Rent a post office box. Get a business telephone installed, with a number separate from your home phone.

You need privacy and permanence: you are going to build a path for money to flow in, and you don't want it built on a weak, moving foundation that will crumble and have to be rebuilt over and over, losing all the ground you have gained. Do it right, the first time: don't try to "get by" with temporary measures because they will come back to bite you hard if you have to change them later.

Buy a good fax machine so you can get orders over your phone line when you are not there. A fax also lets you save tremendous amounts on long distance calls because you can write your query or answer on paper and transmit it in a few seconds. Foreign orders are easy to get when you publish your fax

number. Connect your fax to an answering machine and have it on 24 hours a day, so that people can leave a message or send a fax to the same number.

Read the instructions; nearly all fax machines let an answering machine control the line and grab control away if a fax comes through. It hardly makes sense to have a fax machine that is turned off or set not to answer unless someone calls you first and tells you they are sending a fax, but that's what some folks do. A fax machine gives your customers 24/7 access, but only if you set it up correctly.

You will want to register a domain name for a website, not use one of the free websites that disappears as soon as the hosting firm goes broke. Setting your website up as a tag-along free service means you can't transfer the site to another host and keep the same name. That means that your printed materials will have to change, and your clients will probably lose track of you when they can't use the former web address any longer.

Your email accounts should be based on your own registered domain, so that when and if you change web hosting services, you can keep them exactly the same as far as the public is concerned. It's a better idea to have email based on your own domain than on a public service. Most hosting services give you several free email accounts with your website in any case.

Set up a business checking account with your assumed business name. Develop a good business name with an effective logo, that fits your product and market perfectly. Your sales can be cut in half by poor choices. It takes more than artistic talent to design an effective logo and a good name. Ideally, the name should describe the product line so well that it alone tells people what you have to offer.

The worse possible name is something like “Joe’s Enterprises”. Joe could make anything: the name is useless as advertising. He must buy more space to explain why anyone would care to remember his name!

A good name would be “7mm Specialists” or “Tungsten-Core Bullets, Ltd.” because they convey some sense of what is being offered. You can have as many trade names as you like, one for each related product. They can all be “departments” of a registered business name, listed as “DBA” names at your bank. You can even compete with yourself to draw business, if you wish.

Set up a merchant bank card processing service through your bank, if possible. Some banks are reluctant to do this for a new, home-based business. It’s worth the effort, though: you can double your sales by taking popular bank cards for payment.

Check out the various card processing services carefully, and compare not just the percentage of sales charged but the per-transaction fees, monthly flat rate fees, and other charges. The best comparison is to convert all the charges into a single percentage rate, since each processing service tends to have some lower fees and some higher, making it hard to compare the actual total cost.

Bear in mind that the processing service can’t change the costs imposed by the bank issuing the card, which are in addition to the processing itself. For instance, if a “rewards” program gives your clients back 10% of their purchases, guess whose pocket it eventually comes from? That’s right: yours! It will be embedded in the labyrinth of fees printed on your statement, probably in ways that give you no chance to identify exactly how much is because of the rewards program. Bottom line: add it all up and compare the

total, not the line items being touted as cheaper than the other firm offers.

Acquire the Tools

After you have decided on an initial bullet line that should have strong appeal in a selected market, then you should acquire the tools to make them. The reason you need tools now is because you need samples for firearms writers, photographs and drawings for your website, brochures and press releases, and you need to become an expert in the operation of your equipment before you take on the burden of filling orders or training others to fill them.

Decide how to capitalize this investment. The safest method is with savings that you won't need back for at least two years. Loans from home equity, insurance, relatives and friends are the next best source. The last choice should be a commercial loan, because it requires regular repayments during a time when you will have little income from operations. Be sure any commercial loan is servicable with other income for at least 18 months, and that your lifestyle won't suffer unduly because of loan payments.

Because of the world-wide demand for high quality bullet swaging equipment, delivery may seem agonizingly slow for some custom products. Be prepared for this and do not make any promises to clients. This isn't a good time to sell. It is a good time to research your marketing resources and get your technique honed to perfection.

Begin by subscribing to most of the major gun magazines, and looking through the library index to periodicals for special interest gun magazines that might like to have articles about your bullet. Build a

file of gun writers, and note their interests by the kind of articles they write and the comments they make. Find out who would best like your kind of bullet.

Call the magazines and ask the advertising director to send you the address of staff writers. The magazines want to sell you advertising space when you have the money. Most of them will help you now. Use them to build your knowledge of who influences opinion in your chosen segment of the field, and get to know them from their work.

Resist buying ads just because there is some big special issue or great deal in the works: there always is another just around the corner. You need to hold out the possibility that you will become a paying customer later, but for now, you have to build a steamroller marketing machine based on free publicity.

News is the steam that runs your machine, because all the writers want news. It sells columns to editors, and magazines to the public. Your product will be news if you make it news. If you don't, it will be unknown and you will have to pay for advertising to announce it to the world. Later, when it is not news, you will need to fuel your marketing machine with cash, but by then, the cash will come from your sales and not your start-up capital. For a while, you have news value. Make the most of it

Refine and Test the Concept and Techniques

As soon as any of your tools arrive, start getting familiar with them. Try making jackets, cores, bullets. Find out where the easy and hard processes are, and develop techniques to make the operation smooth.

Test the bullets in various weights and slight variations of style. Find out what is easiest to make, what

works best, and how to make it look as professional as you can. Don't worry too much about cosmetics: it is one thing to have a nice looking, polished bullet and quite another to spend months getting the last little fold mark or slight roughness out of the jacket tip. Few people will fail to buy your bullet a second time because of appearance as long as the bullet lives up to its performance claims.

If you think cosmetics are that important, look at the some of the custom bullets that have been sold for decades and notice how much worse in appearance they probably are compared to yours, yet how little the clients or the bullet-maker seem to mind as they continue to exchange bullets for dollars!

Performance is the key, but again, do not put such high expectations on performance that you overlook reasonable results while searching for spectacular ones. You should always look for improvement, to insure that you can offer "new and improved" in coming years, for repeat sales. If you spend those years searching for the perfect bullet, think of all the lost opportunity to finance your work by selling a good bullet, then a better bullet, while you work toward the perfect bullet!

Refine your technique for manufacturing, iron out any rough spots, make any necessary tooling changes, find out your maximum and minimum weight ranges, pin down good sources of material, and continue to collect information on gun writers who can help you. Don't let sales get lost while you are searching for perfection!

On the other hand, remember always that you are selling quality and confidence in the performance of your product. You can't allow the first materials, whether it be packaging, advertising, or the product

itself, to be shoddy looking. You don't get a second chance to impress anyone with their first look!

There is a fine line between being so picky that you nit-pick yourself out of business, and allowing quality to slip below its level of competitive advantage. The secret is to define quality clearly, so you know what you are trying to achieve. Quality isn't just "pretentious" or "perfection in appearance". It is the consistent delivery of the promised performance.

An implied part of the performance is that the product looks as if it can perform to expectations, but bullets don't have to be jewelry. If they can be made to look like jewelry without significant additional cost, that's a bonus. Don't make it a barrier!

Acquire Promotional Materials

Acquire, not develop, is good advice unless you have strong marketing, copywriting, and artistic background and a good knowledge of the firearms market with particular emphasis on handloading sales. But there's a problem, besides the obvious cost involved.

Ad agencies are often strong on car, beer, and cigarette advertising expertise and woefully short on knowledge of bullet marketing. They get paid for tasteful art and skillful copywriting that won't sell many bullets. You, on the other hand, likely know far more about what the buyers of your bullets want, if you just think about it from the shooter's viewpoint.

So, you can do it yourself with assistance in any of the areas where you may not have the technical skills or artistic ability. If you work with a local graphic artist rather than hiring an agency to do the entire job, and supply information about what your customer wants, you may not win a Cleo for your advertising,

but it may work as well and cost a great deal less than a professionally developed advertising package. In fact, it may work better, since it is economical to reproduce and mail in sufficient quantity to do some good.

The best material is worthless if you can't afford to reach enough people with it. The best logos are bold and stick in one's mind. Writers and handloaders remember them. They reproduce well in nearly any media, and don't use expensive color separations. (But if you can afford it, go for full color printing!)

You must have a powerful brochure ready before you start sending information to writers. Your press releases, brochures, and even your price list will make an impression that says "amateur" or "professional". It doesn't make sense to send out cheap looking material when you are offering a high end product.

No matter what else you do to get the attention, it is all wasted if you can't close the sale. Custom bullet making is primarily a mail order business. You need "paper salesmen" because potential clients will want "information" at about 100:1 order ratio.

I've covered the "art of press releases" already in this book. You know by now that it takes several months of consistently mailing a press release every month, with slightly different emphasis and different pictures each time, to at least 75 to 100 writers, to have good results with free publicity.

When sending unsolicited brochures to clients, it takes at least 5,000 direct mailings to potential clients to show much of a return. Sending out 100 to 500 mailings to potential clients is like going to Las Vegas with a dollar. You might get lucky. But it's better to know the odds and play accordingly.

You will need excellent materials to send in response to inquiries from potential clients, generated from the press releases or your advertising. Although you can feature your website to handle more details, pricing and technical information, there are a significant number of people who don't use a computer, or don't have reliable access to the internet. And there are those who simply prefer to hold the written material in their hands.

When a person responds, you've already spent a good deal of effort and some money to elicit that response. Following up with your best printed effort makes good sense. If you put the changeable information like prices on a separate, lower cost insert sheet, you can lavish more on the color images and slick heavy-weight paper because you won't have to replace it so often.

Influence the Opinion Makers

In the firearms field, the opinion makers are the gun writers and editors, top shooters, and to some extent the makers of firearms and suppliers of ammunition. If you can get an article in print mentioning your bullets favorably, it is worth a year's advertising. If you can get a new product release published, it is worth a full page ad. If you can get popular writers to just mention your bullets when they write about the sport, firearm, or caliber of your specialty, it is worth tens of thousands of dollars in promotion.

If you are a photographer, and also can write reasonably well, you can promote your own products through articles that you might also be able to sell. But in any case, you need to enlist the help of gun writers. There are perhaps 75 who are worth your efforts.

These should be contacted monthly, for as long as you wish to sell bullets, or until your sales are so great that you don't want any more.

The contact can be one-way. Send a press release. Next month, send a brochure. Constantly scan the magazines for articles that have the slightest connection with calibers, activities, or firearms your bullets could fit. Write letters to the editor complementing the article and mentioning the connection to your product. Write polite letters to the writer, suggesting that the (much enjoyed) article could be expanded in the future with a test of your bullets.

This process continues until you desire to quit growing. You don't do it once and sit back to see what happens. Nothing will happen.

Writers will get your press release, glance at it, and think "Another nut thinks he can make a living in firearms." Into the trash it goes. Next month, they get something else from you. It looks familiar. Your logo sticks a little in their mind. Next month, another piece of mail. That really looks familiar. Where did they see that before? Next month...

It won't take too many months before a deadline is due, and a column needs two more inches to fill it. For one out of the fifty writers, your press release happens to be the one on top of the mail stack. He picks it up, and it is well enough written so that little or no editing is required to fill the deadline. You've just made one writer very happy.

So, your first press release hits the pages of *The American Rifleman*, or *Shooting Times*, or *American Handgunner*. Make a photocopy. Include it next month with every brochure you mail out. That shows the other writers someone else took a chance and printed your name. They won't be so concerned that if they do it,

you'll be out of business already when the magazine is printed (which makes a writer look foolish).

You've just grown the first of what marketers call "whiskers"; the white hairs of experience and age in the market that tell people you might be around next year. Your products are now newsworthy.

This process normally takes from six to eighteen months to bring positive cash flow to your business. The minimum time is three months, because it often takes that long for a writer's work to appear: most magazines are made up about one quarter in advance, and last minute columns and ads put into blocked-out spaces around the finished work.

If you want more speed, buy ads. Don't be surprised if they cost as much, or more, than they produce in sales. Smaller ads, repeated often, do better than one big splash. The minimum effective size seems to be about 1/6 of a page. Eventually, when the writers have set the stage, your ads will direct people to your website, email, phone, fax, and mailing address, and alert them to the fact that they can use their bank cards to purchase your bullets. You will have to buy ads, but use the writers first and continue to use them later.

Don't neglect the gun makers and the ammo loaders who might buy your bullets. Contact reloading tool firms, also. Call your congressman and ask how to get on the GSA bid list. Offer bullets to top shooters. Give bullets as match prizes (in moderation). Check with catalog publishers who make or sell the guns that use your bullets, or could benefit if they did use them.

Sometimes, another manufacturer or vendor will write something about your products just to be helpful to his own customers. Maybe someone has been

looking for your bullet for years, and didn't know you existed!

Spread the word. You never know what will grow from it. Today, the internet can provide you with tremendous ability to reach thousands of people at minimal cost. But few people understand how to do this effectively. Putting up a web site is useless unless your clients and the people who influence your clients know about it. You have to promote the web site just like you would any other product.

Most of the money spent by commercial on-line operations is for advertising in other media! Magazines, TV, radio, billboards, and similar conventional media are still the way most people learn about new websites. And that is too expensive for most new bullet makers.

So, your alternative is to spend some time every week letting writers, editors, and potential business associates know about your site. The benefit of a website and e-mail account is that you can direct people to it and then let it handle the repetitive details of explaining what you offer and how to get it.

A good website should be interactive, in the sense that it tells the potential writer or client all they need to know...product pictures, downloadable specification sheets, instant communication with you by direct e-mail forms and links (and you'd better check it every day, or it will be worse than not having e-mail: nothing is more frustrating than the broken promise of instant response).

A person should be able to order directly, with no further communication, from the info presented on your website. Having a useful web site is a commitment to constantly checking and updating it.

Respond to and Evolve With Your Clients

First comes response to the writers' articles and press releases. Inquires. Phone calls and letters ask for information. The plan is working.

Your direct response brochure and price list must now do their part. If you obtained good professional help, they will work in most cases without extensive modification.

What if you get lots of inquiries, but few sales? This means you need to fix an obvious lack of power in your presentation material. Talk with a marketing professional. Explain what is happening. Send samples of your material for evaluation.

In most cases, it will be found that there is too little excitement in the material, and too much of the same old routine: *"My bullets are the best. They are made really well. They are the most accurate in the world. You can't get better bullets at any price."*

Sure. But why should anyone believe that? What is so different about your bullets from the ones they always buy off the shelf? What is the benefit to them for spending \$37.50 for a box of your bullets (25 bullets, at that) when they could get ordinary mass produced bullets at \$30 for a box of 100?

You must respond to your clients. If your design is unusual, you have to explain it more clearly and boldly. No one will want to read a page of fine print to discover the benefit. Show them with a drawing or imply with a logo that says it all. Far too often, the only reason sales are not high enough is the low impact of the material being used to present the sale.

A typewritten page or mimeographed flyer is not sturdy enough to support the confidence that you are actually selling in the form of a better bullet. All too

often, a bullet maker spends months perfecting his product and a few minutes on a computer dashing off the material to try and explain all that work. The advent of low cost color inkjet printers and desktop publishing software has brought about a flood of poorly designed, poorly written promotional materials. It is better than nothing, but barely.

You need a potent bridge between the client's mind and your concept. A well designed brochure, price list, logo, letterhead, and envelope can each contribute to your improved sales. If all else fails, change the concept. But don't make that your first concern. Nearly any concept can be sold if it has any merit at all. Some people jump the ship just because it hasn't caught the wind yet, thinking it must be sinking before it even gets out of dry-dock!

If an idea obviously isn't selling, work on it. Pay attention to winds of change, but don't change direction with every individual puff of air. Better marketing is almost always the answer, showing your customer how he will benefit by spending a little more on your product instead of wasting his money on something cheaper!

Maybe you just have not positioned the product correctly. If the current trend is all about small pistols for self defense, and you are promoting a heavy weight slug that is uncomfortable to shoot in a light handgun, either market to handgun hunters or reduce the weight and come up with a low recoil bullet more in tune with the market.

Sometimes the very same bullet might be sold in two different fields of interest, as with a .40 caliber for defense and the same .40 caliber for use in .38-40 WCF cowboy action shooting games (with an added cannellure, perhaps).

Now, how should you structure your business? I'd say that in almost every instance, a Sole Proprietorship (one individual or married couple doing business under a "Registered Business Name" or "Assumed Business Name") is the right form for a custom bullet business. The Limited Liability Company might be suitable, but the other forms such as partnerships, limited liability partnerships, corporations, S corporations, trusts and so forth are mostly for operations with more than one person or one married couple involved in ownership.

Speak with your tax attorney or accountant, but be aware that as far as liability for your actions and protection from silly lawsuits, you probably don't have as much protection as promised when it comes to more complex structures. A small business consisting of one or two people can have a hard time keeping up with all the necessary paperwork to maintain proof that they are employees of a business entity. Certainly it is possible if you want to devote the time or pay an attorney and accountant for maintaining your corporate records.

I've known far more small businesses whose owners were damaged by embezzlement (usually a "trusted" book keeper) than any who have been harmed by the sort of liability actions new businesses fear. Sure, you take a risk when you run a business. Also when you drive a car, eat out, vote, or are born! If you are afraid of taking a risk, best stay in bed and just read about life.

Reasonable precautions shouldn't stop you from sticking your neck out far enough to develop a successful business. In the past four decades, I've yet to hear of even one client who got involved in a product liability suit. But hey, it could happen!

It's Not The Economy!

As I write this chapter, it is July of 2003. The economy is reported to be struggling. The newspapers talk about small gains here, layoffs there, record unemployment alternating with snippets of housing starts or stock market gains.

How an individual is doing depends a lot on what they were doing a couple of years ago, where they put their savings, and what plans they made for the future before it became the present.

The Corbin die-works is buried in orders, as usual, and has not been impacted negatively by the various doom and hope reports. My investments in other businesses are worth about half what they were a couple of years ago, but even they are headed back, with encouraging gains in the last quarter.

It has been a buyer's market, with a glut of ripe businesses on sale. Like vegetables, one likes to buy when there is a sale, so long as you avoid the rotten ones. As for the swaging business, the new orders for start-up businesses more than balance the cancellations from people who do not think they can afford to do it now.

We have between eighteen and twenty-four months of work booked, with every hour of each 40-hour week "pre-sold", so to speak. Every die set we finish has several clients who would take it in a second if it wasn't already promised to someone else. But that's been the case for decades, not just the past one.

It's shrug and carry on, not a windfall or a disaster, both for me and for most of my customers. We're living in interesting times, perhaps, to borrow from the Chinese curse. So far, it hasn't been that much dif-

ferent from other times in its impact on me, or on most of those with whom I deal and for whom I provide advice.

However...

I'm just back from a trip to Montana, Idaho, and Washington where I looked up a number of customers to see how they were doing. It wasn't primarily a business trip: my wife makes me take at least a couple of trips a year, a minimum of a week each, to relax and get perspective, see new parts of the world and maintain a healthy balance.

At least that is the rationalization for it. I think she just gets weary from dealing with the telemarketers, the shipping companies who lost packages, the phone companies who overbill for long distance calls we didn't make or constantly try to switch us to service plans we don't want, and generally being the "fist of death" (to borrow a phrase from the Dilbert cartoons) to vendors who don't live up to their billing. She's the office manager, in other words.

A couple of trips a year are deemed mandatory for mental health. Personally, I'd just as soon stay at work if it were not for the fun of sharing the trip with Katherine. Helping people learn about bullet swaging really is the high point of my day, but these trips allow me to do things that would be harder, or even impossible, if I stayed at the office. One of those things was to get an up close and personal view of some of my customers in their native environment.

Regardless of what the job market or stock market is doing, most bullet-makers seem to be doing very well, especially if they are flexible enough to follow

the firearms news. They shift their marketing and sometimes change their product offerings to include bullets for the firearms that are currently making news (e.g., the 50 S&W or 475 Ruger at this moment).

But a few bullet-makers are struggling in the current economy. If you are having any difficulty, I'd like to help. I know I can, after more than three decades helping hundreds of successful businesses get their start. With the bustling business in start-ups of new bullet firms, orders pouring in and backlogs of up to 24 months, I have not been paying as much attention as I should to the folks who have not gotten off to a good start. This trip made me realize that not everyone is doing as well as the average custom bullet maker, even though they could be with the right advice and help.

For that, I apologize. Let me make amends now.

The bullet business is usually a profitable and enjoyable one, but there are three stumbling blocks that I discovered in my travels. No, not the economy or lack of enough money. Those are excuses not to try.

It's always easier to rationalize lack of effort when there is a big, vague, widely-discussed issue everyone will accept with a sage nod and a knowing look. "Mmmm...of course...understand completely...nothing you can do...economy." Nod, nod. Everyone loves a little sympathy.

Except, it isn't a problem for all those other bullet makers. What do they know? What are they doing differently?

The biggest problems that came out in my visits with people had to do with these issues.

- 1) Inflexible approach to the original idea..
- 2) Ineffective, insufficient marketing...
- 3) Unrealistic expectations...

The majority of bullet-makers have learned the special approaches to marketing that work best for custom bullets and the need to be flexible in the products offered, and are doing well. There is no reason—not the economy, not the way a certain bullet works or doesn't work, not the lack of enough money—why anyone can't do just as well if they can overcome the issues that are holding them back.

In the long run it is good for my business if all my customers are successful and prosperous: your success is in my best interest as well as yours. You don't have to look for any hidden agenda or sales pitch. If you already have equipment, I want you to make money with it. Why? Because that's the only way you'll want to buy more equipment and supplies! Nothing hidden about that agenda.

Also, it does me no good at all to have unsuccessful customers grumbling about their experience with swaging. I would much rather have them join the thousands of customers who are glad they discovered swaging. And you'll find that the same thing applies to your own business: happy customers are more important than short term profit, because without them, there is no long term profit. No matter what the socialist economists believe regarding the Keynesian philosophy that "in the long run, we're all dead", there is a slightly shorter "long run" where we reap what we sow.

I'm looking way down the road with the realization that only successful people are long term clients. In that spirit, I would like to be very candid, to the point where perhaps some of the things that I have to

say may even seem to be insulting. I don't mean it that way, of course. And it may not apply in your situation, but usually, it is the source of the problem and the only thing really holding back the few folks who are not realizing the benefits of the swaging business today.

Inflexible Approach to the Original Idea

Falling in love with your own ideas will block your path to success. There are plenty of other ways to make a good bullet that will sell to some group of shooters. It may not be the group you originally targeted, and the design may not be the one that you are struggling to assemble.

But believe me, there are lots of other designs, and there are over 500 calibers with untold variations in weights, shapes, and construction, any of which might be faster to bring to market than the one which isn't working for you at the moment.

Be flexible in the design! Anyone who falls in love with their own concept in any business forgets the old expression "Love is Blind". They fail to see that there are alternatives to banging their head against a self-imposed wall, and give up on the field instead of putting aside a specific self-imposed limitation on the design itself and trying something else.

This is an example of inflexibility in design:

I have at least one customer who wants to make sub-caliber bullets, but insists on making them with a certain boattail shape that is difficult to accomplish in a tiny diameter. It probably is a good design, but the features that make it good also make it very difficult

to form. I won't go into details because the design isn't mine.

But the problem is no secret: you can only put so much force on a tiny 0.172 diameter punch. If the punch has most of the metal removed from it to form a boat-tail socket, then it is quite fragile. Changing the angle and shape of the boattail would allow the bullet to be made without any problem. But this customer insists on making it his way, or no way!

I'm all in favor of fighting for your ideas, but this is a no-brainer: it is extremely difficult and expensive to make one way, no problem at all the other way, and the market for either design is about the same. The public doesn't really know or care about the benefit of the special boattail shape. What they want is an accurate long range .17 caliber bullet. If the rebated boattail design puts them into a half minute of angle group and can be put on the market right now, why not do it?

In other words, why beat your head on the wall instead of stepping a foot to the right and going through the open door?

Yes, yes, I know...this remarkable special angle and shape is supposed to be better. But how do we know it is? Who said so? Oh, an old friend who happens to have worked in aircraft design at one point says so. Did he ever make one? Has anyone ever tried it? No?

So this is all speculation, with a smattering of math and a cachet of "design expert" to give it a flavor of possibility. Then if it can't be done economically and quickly, does that mean the entire concept of making some money with another design that we know works, that we know can be made, is completely out of the question? Why is that?

I simply cannot convince this person to make any money! They just won't do it. The only thing that matters is getting this particular design (which is only speculative at best, since no one has ever actually made or tried it to see if the theory works) built. No matter that we've run into issues of expense that make it highly unaffordable to continue.

Yes, it might actually work, but at some point you have to ask if it is worth going any further along that path right now. Make the one that works, sell enough of them, and then if it is still important a year from now, put the profits to work solving the problems associated with the "better" design!

Now take that example and substitute any of a thousand different features for the special boattail. Substitute a material, like bronze or thallium or iridium. Substitute a certain shape that is tough to build. Substitute a weight/length combination that exceeds the limits of practical (affordable) standard dies.

Then ask, why wouldn't a slight change or substitution in this design, which makes a practical bullet, be possible? Is it because any change is seen as being unfaithful to the beloved original idea? If so, then this is a self-imposed problem that can kill your business. Put the original idea aside and work on it when you have made enough with the other, practical one, to pay for the indulgence.

Summarizing the first problem, you have to be able to recognize a dead end and go around it. Or at the least, set the original idea aside and use one that solves the problem. Change the weight a bit. Use a different material. Make the bullet a little shorter.

Change the angle or the hollow point size or use a larger tip opening.

Do whatever it takes to get a workable product, even if it doesn't match your original concept. If you don't tell anyone, they'll never know that the bullet you are selling isn't the bullet you first idealized.

But what if you are struggling with a design idea that works well and just don't know anything else that will fill that niche? If you have some concept for a better bullet, and making it is presenting a problem, why don't you send me some "before" and "after" examples?

That is, send me a sample of the components you are using before each step, and the result of each step, and a note telling me what it is that is stopping you from selling the bullet or causing it not to form up the way you like.

Usually I find that when people do this, the problems are similar and solvable, and fall into a narrow range of categories. One of them is using material that just isn't forming right, and isn't exactly the same in amount, length, thickness, hardness, or some other parameter as we used when we made the dies and tested them.

The bullet maker doesn't realize how important the difference may be. He might think that the half-inch diameter tubing he bought at the local plumbing store is the same as the half-inch sample tubing we sent with the dies, when in reality, his tubing is far too soft, has an alloy inclusion that makes it crack or stick on the punch, becomes too hard or brittle when drawn down, has a wall that is too thin or thick, or really isn't that close to the same diameter.

The tolerances need to be tight in most cases. If we build a set of dies to make 1/2-inch .035 wall hard drawn C220 copper tubing jackets, and you select some 1/2 inch tubing that really measures 0.505 outside, has walls that vary from 0.033 to 0.038 in thickness depending on where you cut it and how you turn it around to measure, is really C110 alloy, and was annealed to only quarter-hard instead of three-quarter hard, it probably will give you some trouble.

We can change the punches and dies, in most cases, to make it work. But it may not work with the dies designed for the other, proper tubing. Or worse, it will work poorly, with the problems showing up “downstream” from the stages that actually cause them.

Another common problem is that the bullet isn't being made quite in the way that we thought it would be, and if we'd known exactly, we'd have made some of the parts different dimensions. This is so easy to fix! Yet I've had people completely give up, or quit for a couple of years while they just assumed it wouldn't work, ever!

And when they finally got around to mentioning this, all it took to make everything work perfectly was to change the dimensions of a core seating punch or a lead tip forming cavity! But we couldn't do it without the materials before and after, so we could adjust the tools to fit the particular lengths and amounts of material.

A good example of this problem is the customer who wanted to make 150 grain soft point 308 bonded core bullets for the 30-30, but somewhere between the placing of this order and the time he started making

bullets, he changed his idea to a 220 grain open tip design.

All the stages were designed around the use of a jacket that was appropriate for the 150 grain soft point, so that the punches no longer fit the ID of the jacket at the mouth. They were made for a much shorter trimmed version of the same 1.25 inch jacket, pinched off at about 0.9 inches, where the wall of the jacket was considerably thicker.

But the customer didn't realize it made any difference, not having any experience. To him, a 308 die set made any weight with any jacket...which, to some extent, is partly true. But you have to change the diameter of the punches if there is a radical difference in jacket wall thickness.

And of course, if the die was made long enough to hold just a 150 grain soft point, it might not be long enough or have the internal punch drop back into the ram far enough to accept the much longer 220 grain bullet. It is all "fixable" but takes some additional fitting and parts. We need to know up front what you plan to make, at least the extreme limits of it, in order to provide enough equipment to handle it.

Yet another common issue is the perfectionist syndrome, where the bullet has some inherent minor cosmetic issue, like a tiny fold line in the ogive, a more or less sharp base than the bullet maker envisioned, or a larger tip opening than he had in mind.

In many cases, if not most, these things would not have stopped 99% of the customers from buying the bullets and certainly would have no effect on performance. But because the bullet is the "baby" of the bullet maker, born of his thoughts and ideas, perfec-

tion becomes an obsession that stands in the way of success.

Certainly it is good to eliminate as many cosmetic defects as possible, but there comes a point where you are making impracticable high labor jewelry rather than a bullet to be loaded and shot. If one bullet buyer mentions an issue, it may suddenly become a giant stumbling block in spite of the fact that 99 other people didn't notice or didn't care. "Oh, no one will buy this, because the tip opening is too big!"

Any excuse to not make money!

We can work on those issues but meanwhile, go right ahead and sell bullets! Did you ever look at the 1950-1980 Barnes bullets? Did you notice that they often had water pipe numbering stamped right into the side of the jacket, or that the bases were cracked all to heck, or that the tip openings reminded one of a mouse hole? Yet, they sold so fast that you usually had to wait months to get your whole order of bullets. Tell me again, why is it no one will buy your bullet if it has a tiny, nearly invisible discoloration band around the base?

Now let's move on to the more serious design problems, which require a change in design.

A common issue here is making a bullet with materials that simply will not flow without undue pressure. Hard lead alloys, certain powder metal mixes, some plastics, and complex designs that require high force to push even soft lead into thin cross sectional areas may just be impractical to make on reasonably priced equipment.

Sure, it can be done. We can probably make tools to do it. But the tools may be very slow to operate because they require several stages, or very costly because they require special ejection and split die techniques that take a lot of labor to build.

Or maybe the ultimate tool will be fast and economical, but the research and development required to get there may eat up far more material and time than you want to spend. After all, most of the tools we make every day that we know are satisfactory have around 40 years of constant development and improvement experience behind them.

So what do you do?

You must rethink the design from the end result standpoint. What do you want it to accomplish, and is there another way to do that?

In almost every case, there is another way to accomplish the end result. The end result is not a construction feature! It is what you want the bullet to do to the target. Maybe you just want to hit it in the same spot consistently at a five hundred yards. Or maybe you want the bullet to expand about the same amount at 100 yards and at 500 yards when it strikes a deer.

Whatever you want for end results, pretend the original idea isn't the answer and look for another way. Look for as many ways as you can find. Then figure out which methods would be the most economical to make, both in time and material, and what the tooling might cost versus tooling for other solutions.

With this information, you can approach the business with alternatives instead of just a narrow, do or die solution. The frustration level drops rapidly, because you know there is another way if one proves

unsatisfactory. In fact, you might find several answers that all provide products you can sell, and let the customer decide which one is best for a given task.

Can't find any other answers? Don't worry. If we know what you want to do, we can normally come up with some way to do it. If you also have an idea, so much the better. We can compare notes and see which would be most practical to make and sell. Maybe both are good.

Ineffective Marketing

Ineffective marketing normally boils down to virtually no promotional efforts, and a smattering of paid advertising that did not bring in enough sales to pay for itself. It may include a homemade brochure and price list that assures the reader that these bullets are made with the greatest skill and care.

But the brochure doesn't offer a convincing reason to spend more on these bullets instead of just going down to the sporting good store and picking up another box of mass produced bullets.

Marketing doesn't mean just advertising. Advertising costs money you may not have. To generate interest in your product, you can use other means that require more effort than money. The main means of getting people to sit up and take notice of your product is to get writers, editors, makers of other related noncompetitive products, and people who might benefit from the use of your product, to talk about it. And the main way to do that is to discover who these people are and how to contact them, and then do it.

But not just once. Not twice or three times.

Instead of paying a magazine or web site to publish your information, you have to repeatedly and consistently send information to people who have no obligation to publish it, in a way that will benefit them and their readers or customers. Since they have no obligation, and you are not paying them anything, you have to make up for that with volume.

The volume has to be in two directions, width and depth.

By width, I mean you need to gather as many contacts in the industry as you can, and never quit adding to and changing that list. People come and go all the time. New writers land jobs vacated by the old writers. You need names and addresses, and can get them just by browsing the gun magazines on the newsstand, in the periodicals section of the library, or on line.

You can get magazine and publication names from digests and publishers lists, both printed and on-line. Then you can write to those publications and ask for a list of new product writers who are interested in hand-loading products and bullets.

But you also need to focus on people who make guns that fit your bullet, especially custom gun makers. And people who make reloading equipment. And people who publish catalogs and might consider selling your bullet. And specialty reloading supply shops around the country.

You'll probably get 1-2% response rate. But that's considered pretty good in the direct mail business! So to get 20 people to include a mention of your product in their publication or catalog, you'll need to make 2000 contacts or more.

Repetition is the number of times you send the same folks something. You can't get anywhere sending one letter or one sample bullet to a handful of people. Most of the time, they are busy and toss it out. But sometimes, they are curious, especially if you've sent them things for the last ten months, once a month.

I've sent press releases and photos to some people on my list for 20 years without a response, and then one day they'd write to tell me they were retiring and had this marvelous file on my company, and were turning it over to the new product editor who was going to publish a major article featuring swaging! It's easy to give up too soon with publicity mailings.

I like to imagine the extremes and see where it would lead in assessing any situation. Take some action mentally to its illogical extreme and you may see the logical truth come out of it. This is an idea that I learned from the writing of Frederic Bastiat, a French economist who lived two centuries ago. He had many classic examples of taking economic thinking to the extreme to simplify the truth and make it evident.

One example was his "Candle-makers' Petition Against the Sun", in which he showed the ultimate silliness of government protectionism against lower priced (or free) competition from another source.

If protecting French businesses against foreign competition by making citizens pay artificially higher prices was good, then making the citizens board up all their windows was a good extreme extension of that philosophy, because it would protect the candle-making industry against the free competition from sunlight.

At some point along the sliding scale of imposing artificially high prices by prohibiting competition

from cheaper sources, the people who read his work would see that the vast majority of the people, who use the product (sunlight or candle light) are the ones who suffer. The money they might have spent on furniture or houses was wasted on candles, which benefitted a few candle-makers but harmed everyone else.

That argument is used frequently in discussing tariffs today. The manufacturers who are unable to compete because of their high prices justify imposing a tax on the buyers by saying that it “saves American jobs” or “helps the American worker”. And it does, if you mean jobs at his factory, or workers in that industry. But all the other workers, the vast number of people in other fields, have a penalty imposed on them to pay for inefficiency and artificially high prices.

They will have less money to spend on other things, and the makers of those other things may lose their jobs. No one mentions this! Those folks are American workers, too. They just don’t happen to be getting the tariff benefit: they are paying it. Tariffs are always paid by the person who buys the product, not by the target country.

Besides, what justifies the existence of an inefficient or obsolete industry if not the interest of buyers for its products? If people want to pay more just because the product is made in a certain region, they have that right, just not the right to impose their feeling on everyone else by force of law. Tariffs usually have the opposite effect to saving an industry, in any case, over the long run.

One can carry the logic to an extreme and see if the effect is an extreme version of what is desired, or an entirely different outcome. Suppose that American steel makers were so inefficient and so burdened

with old ideas, old equipment, and poor planning, that they could only make reasonable quality steel at a thousand dollars per pound!

To stay in business and “save the jobs” of the unfortunate workers saddled with jobs at these ridiculous business (and too shortsighted to seek other training, move to where jobs were more plentiful, or devise ideas that would make it possible to produce steel cheaper and thus become wealthy steelmakers themselves), the steel making firms hire lobbyists to ask for tariffs on all imported steel, raising it to a price equal to the thousand dollar per pound “leveling” or “fair market” price.

Representatives who feel the need to improve their re-election finances agree (with absolutely no strings attached, of course, and solely to save American jobs) that the steel made in other countries, thought it may be equal or superior quality at a virtually giveaway price, is “unfair competition” and needs to be priced “in parity” with “our” steel. So they pass the tariff.

Now, everything made from steel, from “tin” cans to autos, costs thousands of times more than it should. The market plummets, since people can’t afford anything made of steel. The people whose jobs were supposed to be saved are fired because the steel mills can’t sell their steel at that price.

And the aluminum industry suddenly finds itself buried in orders. Auto makers begin building nearly all parts from various alloys of aluminum, which is now far cheaper than steel. Brass and bronze make a big comeback. Metallurgists work on new alloys that do not fit the “steel” definition and are free from the artificially high pricing.

All this eventually brings autos and tin cans back on the market at affordable prices that are perhaps higher than in the “old days” when we were importing cheap steel, but American ingenuity comes through in spite of socialist politics. We all just pay a little more than we might have, if the market economy had been allowed to operate without artificial pricing.

The end result is that the steel workers move into jobs in aluminum and nonferrous metal industries, the steel mills shut down anyway, and our products are not quite as competitive on the world market as they might have been if we used cheaper steel, but hey, they are all non-rusting! We proudly say they are worth more.

An unfortunate casualty of the tariff is the refrigerator magnet industry, since magnets won't stick to the new aluminum/bronze refrigerators. Someone points out the obvious fact that cheaper steel is available in other countries, and the refrigerator magnet magnates hire a lobbyist to get an exception law passed for refrigerators.

Soon every industry that is damaged by high steel prices has a lobbyist getting exceptions to the tariff for steel used in their particular business, all to “Save American jobs”, and we have a hodgepodge of laws that no one understands, but litigators love. But we have no steel industry, and no steel workers. Somehow, no one cares. There is plenty of cheap steel coming in despite the maze of tariff and tariff exception laws.

This is of course a silly extreme. But it shows how taking the principle to an extreme can illustrate the effectiveness or lack of same in the idea. If we could show that putting an extreme tariff on an item would save jobs and improve competition, maybe to the point

where everyone wanted to be in that field and no one wanted to make anything else, at least it would show that the idea might work with some reasonable degree of application.

So it is with publicity. If you carried it to an extreme, you might write to all the publishers every day, call someone every hour, until all he could think about was you and your product. To get you to stop, he'd have to write something about it! No one would really do that, but it's better than doing nothing. The extreme in the other direction is sending nothing to anyone. You get nothing back.

In the same way, it is better to think of making a bullet design that sells to fewer people but at a higher price. Something that only a few people want but can't get anywhere else at any price is far better for a small custom bullet business than something everyone wants but can get from dozens of other sources at a cheap price.

Take it to the logical extremes: if you found a client who really wanted a custom 700 Nitro bullet for his one-of-a-kind quarter-million dollar handmade Holland and Holland, and he was willing to pay you \$50,000 to make it, isn't that a heck of a lot less work than trying to compete against punch presses making millions of .308 bullets every week for ten cents or so?

One bullet a year would be the production. I have a few clients who make \$25 and even \$50 bullets, very few per year, but the profit is "world class". Most people move the dial down to a more practical region, but still keep the prices in the \$1 range per bullet. They don't do it by copying a bullet you can already buy over the counter!

Taking it the other way, you might wind up making free bullets for everyone: lots of volume, no profit. How hard do you want to work? Many bullet casting operations actually operate very close to that extreme and don't even realize it! The ones that last about three years and go broke are actually achieving it.

I've covered press releases already, but they are so important that it won't hurt to point out how important they are once again! You need to put some time into sending out press releases, photos, samples (one teaser, not a box of bullets), and you need to spread it out so you don't shoot the whole wad at one time.

The idea is to have a small, steady flow of information going out all the time to a fairly broad group of people in the firearms press, catalog publishing, and associated product areas. Concentrate on one good point each time, or set your aim at making your bullet "for" a specific gun or caliber that just came out recently, something with news value.

Include a way to reach you, such as a phone number and a range of times of day when you'll be there. E-mail is good. Many writers are starting to use e-mail as their main contact media.

It is not good to give them a phone and then have no one there when they call. If you work during the day and can't take calls there, tell them when you will be home (both the days and the hours) so they will be able to reach you without wasting a lot of time.

One of the big problems that faces new bullet makers is the inability to be there when people call with orders or offers of publicity, if they still have a "day job". E-mail and fax machines at least give people an alternative. Calling people back who leave messages is, of course, a given. You must, even at the risk

of calling a few sales people who sound like they might be potential clients.

Here is an important point: do NOT send out press releases talking about your product features unless you actually have made the bullets with those features. It sounds obvious, but I have some customers who sent out press information about a bullet they were going to build.

Yes, that's right...by the time they got around to building it, they found out they couldn't. It had to be made differently. That is no problem in itself. But they had already made these fantastic claims and talked about features that did not show up in the final product. And when writers called to ask for photos, since they were going to have a column ready in three weeks and needed the material now, the bullet maker had nothing but excuses.

Talk about killing a business before it ever gets started! Let's make all the writers who care enough to respond wait and miss their deadlines, and then send them something other than what we told them we'd send. That ought to generate some feedback, but not of the positive kind. Actually, most writers will say nothing rather than give you a bad review in print. But nothing is bad enough.

The last example of a mistake in marketing is the bullet maker (unfortunately, a representative of a small group who have done this) who turns down free publicity, does not advertise or publish his phone or address, has no post office box or fax, no website or e-mail, but is still "working on the idea" to perfect it, forever.

I know I said you need to have the product before you promote it. But define what it means to have a product! You need something that will sell. That's it.

You do not need the ultimate in development of that product, because, guess what...you never get there. The ultimate is the next one. Then it becomes the one after that. You never get there, if you are constantly trying to learn and improve. Perfection is a process and not a destination. As soon as you get there, you move the bar higher.

I might discuss this one under the heading of unrealistic expectations, because anyone who thinks that they have to reach a state of perfection in order to be competitive just hasn't looked very hard at the competition. You can't believe your own hype, to state it in a cynical way. If your brochure says "The Perfect Bullet", you have to be smart enough to understand that it means, in unstated parenthesis, "...so far".

People who refuse to get started in sales because they don't believe they have the perfect product are missing the opportunity to sell a good product, and then a better product, while working on perfection. Because of all that lost time and missed income, they seldom if ever actually sell anything, perfect or otherwise. They usually drift away from it, because it costs too much without any return at all, and there will be no return until there are sales.

There can be no sales if there is no information reaching buyers, and if buyers cannot reach the seller to place orders conveniently. Get the thing working, start selling it, and then use the income to finance further research and development, just like any successful business.

Did Apple start with the McIntosh? Is it the last computer they'll ever build? Did MicroSoft start with

Windows 8? Do you think it represents perfection in an operating system? Did Henry Ford wait until he had the 1956 Thunderbird (hey, everyone has a different idea of perfection!) to begin selling cars?

So what makes you think you'll be alive, either, by the time the perfect bullet is invented? You need to have a bullet that some people will wish to purchase, not the only bullet anyone wants to buy. Keep in mind that seeking perfection is a noble and useful process, whereas selling a good product is not the end of your quest, but only a step along the way.

I know a young man who refuses to get a job in any fast food business because he seems to believe that once you are there, you are defined. Your life is known as “burger-flippin’ loser” from that point on. There is no thought of what may lie beyond. The job is illuminated by a glitzy neon parody of Dante’s famous sign over the final gate to the Inferno, flashing “Burgers: Nothing More Beyond”. Non Plus Utras.

Meanwhile, he has used up all his unemployment benefits and is in fact “unemployed loser” until such time as he locates his grey cells and puts them back in the cranial container. Until then, he is out of contact with employed people who could possibly introduce him to other jobs, and is not seeing regular customers who might mention an opening if he mentioned his desire to change jobs sometime.

Some people have worked into management positions, purchased a franchise, and are no longer flipping anything except stock options, but apparently this thought has never crossed his mind. (I know at least two millionaire owners of Burger King and Dairy Queens, and one Taco Bell worker who is pocketing some nice stock options—all people who started in

“fast food”. I bought one of my better performing restaurant stocks on advice of a bus boy who worked in a Chile’s store in California, the first time I had eaten at the Tex-Mex chain.)

My point is that you should not ignore even humble opportunities, if they are better than the immediate alternatives. If you don’t feel that there is a tremendous market for a slightly better 40 caliber home defense bullet, but you have not yet figured out how to make the 40 subsonic machine gun bullet you want to sell to the military, why not start the wheels turning anyway?

A small market is better than no market. Some sales is better than no sales. For one thing, you can keep working on your other idea and have a little extra income to do it. You also get experience in making, packing, shipping, and marketing and can leverage it with your other idea later.

For another, you may find that the market is better than you imagined, or you may get feedback from some 40 pistol bullet handloaders that puts you on an entirely new path. Maybe you’ll be told that a nontoxic bullet for indoor ranges is the hot thing, and you can make one using tungsten powder in a jacket. Who knows? Not the fellow who never tries.

Unrealistic Expectations

You can have “Great Expectations”, so long as you keep them in the realm of possibilities. I believe in dreaming large, and am not putting the damper on anyone’s long range goals. But short term, the next step has to be something you have a chance of actually taking without falling flat on your face.

Does this mean you never take a risk? Heavens, no! You just learn to balance the risk with the reward and temper your desire to take it with a realistic appraisal of your chances for success.

This is a tough proposition for some people. If you are a pessimist, you'll tend to evaluate all change in terms of the bad things that can happen, and come to the conclusion that nothing has a chance for success. If you are an optimist, you'll tend to evaluate all change in terms of the potential benefits that may come from it, and come to the conclusion that anything is worth a try.

The truth is somewhat more difficult to find, and no one has a lock on the answer. We all make errors in judging opportunities. But one of the problems that I have noticed among the bullet makers who are not progressing with their business is a tendency to expect results too quickly.

They tend to give up after an unrealistic period of development if they do not learn how to make their desired product design immediately. One gentleman packed away his dies and press and decided the whole idea was worthless because he spent two days trying to get the core weight within 0.1 grains...on a 400 grain bullet!

Precision in weight control is important down to about 1% variation range in a quality hunting or informal target bullet, and down to about 0.5% variation in a benchrest match bullet. Anything more than half a percent variance is just "nice", but has so little effect on bullet drop that it isn't worth considering outside a laboratory.

On a 400 grain bullet, 1 percent is plus or minus 4 grains. Half a percent is plus or minus 2 grains. The precision expected of a good electronic weight scale

is about 1 percent of full scale reading plus or minus the last digit. So, this fellow was trying to get weight control of 0.00025 percent.

Hmmm.

Why, exactly? Did he realize that his scale normally wouldn't be that accurate unless it was an analytical balance worth thousands of dollars?

Another fellow struggled for months with the problem of making a bullet that weighed 70 grains for a short 30 caliber pistol round, and still had enough shank to stay in the cartridge case during automatic feeding, without any cannelure or crimp.

When he told me why he had given up, I suggested that he could easily make a normal length bullet that would feed, fit the case neck all the way, require no cannelure or crimp so long as the case neck was sized properly to grip the bullet, and still weigh only 70 grains if he used a low density plastic or corn starch filler and a short lead core on top of it.

This solution is the standard answer to making accurate, normal length but light weight bullets. The weight being forward within the jacket helps stabilize the bullet for short range, low trajectory path shots and changes the old "Greenhill" twist formula which presumed a monolithic lead core and the resulting base-heavy balance.

But he had so pessimistic or perhaps narrowly focused an attitude that he refused to even try this solution. If it couldn't be done by making a short jacket that "properly" matched the short core length, then nothing else was on the agenda.

He expected it to be possible. His expectations were not realistic, but when they were not realized, he was so disappointed that he gave up rather than try something that would work.

Another problem that was holding back a very fine business opportunity revolved around the expectation that a specific “money man” was needed, and that this person had the only contacts and market opportunity that mattered. The bullet maker made one of those “unholy alliances” that I rail against elsewhere in my book, where he would make the bullets as soon as the money man came through with the big contract for a hundred thousand bullets now and five hundred thousand a year later on.

Never mind that the usual method of marketing and promotion would surely work just as well for this person as it has always worked for hundreds of other bullet makers.

Never mind that the bullet could be sold through other means, right now, in smaller quantities.

The only thing that mattered was the glittering promise of a no-effort deal, brought about by someone with more knowhow and contacts. So the weeks went by. The fellow had purchased his own equipment and was free to make bullets. The bullets were his own idea. The money man was really just an alternative way to sell, not the only way. But months went by without anything happening.

Finally, the money man came through! He called the bullet maker and said he had the deal for all 500,000 bullets. When could he receive them?

“Eh? What?” Said the bullet maker. “You mean when can you receive the first shipment, right?”

“No, I mean all of them,” The money man said. “My buyers want the bullets within 30 days or they are going to buy them from someone else.”

“Are you kidding? I can’t make half a million bullets in a month! Didn’t you understand anything about my equipment? I can make about 150,000 bullets a year on hand operated presses by myself. You hire a whole room full of labor and I’ll see about half a million in a month, but I’ll need a lot more equipment, and it could take a month to get it even on overtime rush basis!”

Needless to say, the bullet maker and the money man didn’t have a deal after all. It was based on unrealistic expectations all the way around, probably caused by wishful thinking driven by greed and lack of serious communication up front. It’s easy to let the details slide when there is easy money in the offering, and being frank about capabilities could drive the offering away. But it’s better to never make a deal than to make one that can’t be done.

What I couldn’t understand was why the bullet maker didn’t go ahead and make the bullet to sell the regular way, without the money man and his potential volume deals. It wouldn’t have stopped the deal. It would have brought in a stream of revenue. And instead of finally giving up because he “couldn’t make them fast enough”, he’d have found out that there is another market for higher priced, lower volume sales direct to the end users.

In my investigation of clients who were not reporting good sales (or in some cases, any sales) I found that a fair number of them held this same kind of belief. Somewhere out there, a market existed that would take all the work out of selling and let them concentrate on the making. But it was just beyond their reach,

and something was keeping them from it over which they had no control.

Either it was the “bad economy” which prevented people from sending big checks for custom bullets, or it was “lack of time” to put into either making or marketing bullets, or it was “someone else already has them cheaper”, or it was “too many people already have something like it” or it was “if the idea worked someone would already be doing it”.

(Curiously, both the “too many are doing it now” and the “no one is doing it now” arguments are frequently used as excuses for not even checking further into the possibility of a custom bullet business of any sort, giving folks with a little more sense of adventure much less potential competition!)

I asked why they had purchased equipment in the first place, then. They said the economy wasn’t bad then (it was worse, actually). They said that they had a better job then and now they had to work longer hours and had no time. They said they didn’t know someone else already had a cheaper or similar product then.

“Well,” I said, “what do you do on the weekend?”

Oh, they had things to do around the house, or there was shopping to be done, or they couldn’t work all the time, could they?

So much for the time to develop a business. It takes about 3-4 hours a week to develop and maintain a public relations mailing list, write three or four paragraphs and copy it at Kinko’s, buy a book of stamps and mail it out to the 80-100 contacts, and look for other contacts to add to your list.

I’m writing this at 2 am and I have to go to gym class first thing in the morning and work out, and then go to work on the other side of the valley. Don’t tell

me about no time! You have time to do anything you really want to do.

But of course I didn't say that. I was my usual quiet and polite self. If these guys didn't want to become wealthy, it was too bad for them. The tools were right under their noses. All they lacked was desire sufficient to overcome their aversion to the effort.

What I did say was, "If I could show you how a slight change in your design or in your marketing approach would put your bullet in a class by itself and make the existence of competition unimportant, would you be willing to put some effort into trying it?"

Now, my friend, let me tell you that if someone approached me with that offer now or at any time in the past, but especially when I had nothing to lose but some weekend time and less money than it costs for lunch, I'd be locking the door so he couldn't change his mind and leave!

I don't waste my time with business services sales-people, who know nothing about my business. They just want to use up hours of my time to sell me some plan or study that will use up even more of my time and tell me basically nothing that I can't figure out or have not already tried. But that's because I already have tested those waters, listened to those pitches and even tried a couple of marketing/sales/business help services just to see what they could or couldn't do.

When someone says they can tell me specifically what I could do differently to turn a dead end project into a money maker, and they are offering to give the information freely without any strings attached, I most surely do want to listen. Assuming you were sure that the only thing this person probably wanted in return was the chance for future business with you, wouldn't

you listen? You wouldn't have to do it, just hear what they might suggest.

Guess what: not a single one of the people who were struggling or had given up or put their bullet business ideas on hold (probably forever) wanted to hear anything that might suggest a way to make it work.

Not one.

Every single person in that group (and fortunately, it is a very small group compared to the people who are doing fine, and probably do not need to listen to any more advice) had a half-dozen excuses why they didn't care to hear about it.

They had their minds made up.

End of story.

It is as if they were saying "I'm NOT going to be a success, and there is NOTHING you can do that will make me!"

I know people who consistently respond to any suggestion that would help them out of a self-imposed bad situation in this way. There is always some reason why they cannot do whatever would solve the problem. Their creative abilities are focused on foiling success.

It seems almost as if they prefer to complain, and get more enjoyment out of being miserable (or receiving sympathetic nods and utterances of "poor dear") than in actually doing anything to help themselves.

It's frustrating if you are more driven by logic, observing cause and effect, than wallowing in an emo-

tional miasma. When all your suggestions are deflected, you eventually give up and just say the desired “Poor dear...” until you need a stiff drink or to take care of your own problems with a renewed faith in action: almost any action!

Unrealistic expectations can lead to illogical stubbornness, born of unnecessary frustration. At least that is one possible explanation. Perhaps a more gentle one is that they were disappointed in life in general at that point, having seen some glimmer of a bright future and then having it dashed with layoffs, slow markets, a downturn in life-style.

Maybe they were just venting a general frustration, after having listened to others saying how the stock market was going to go up forever and their great job was going to do nothing but get easier and pay more until they retired with a fantastic 401k plan.

Maybe when the illusion came crashing around their ears it deafened them to any optimism, any offer of a way out. Bitterness and pessimism may have seeped in where a spirit of adventure used to live.

I just hope it isn't permanent. Maybe they will heal in time. Maybe they will realize that even as they are listing all the reasons that it is impossible to be successful as a custom bullet maker now, others are doing it. Many others. Hundreds of others.

And then, just maybe, they'll start to see that the forest of insurmountable problems falls easily with the tap of logic, one tree at a time, until all that is left are those three issues which are completely within their control:

- 1) Inflexible approach to the original idea..
- 2) Ineffective, insufficient marketing...
- 3) Unrealistic expectations...

Salespeople and Consultants

Over the years, I've dealt with a reasonable number of salespeople (excuse me for not saying salesmen: this is one instance where the saleswomen should get equal billing based on the quantity) and a few consultants. I've noticed a trend in personality or attitude of the one toward the other, yet I believe both provide the same basic service to customers (on the good side) and cause the same unsavory feelings and bad results (on the bad side).

Let me point out right at the start that you are and must be a salesperson if you want to convince people to do something, whether it be purchasing your product or purchasing your service, which is in fact your product if you are a consultant.

Consultants sometimes adamantly believe that they are superior to salespeople, because they think salespeople lie, cheat, and will say or do almost anything to wring money out of customers and avoid paying any money to consultants, whereas consultants provide a valuable and disinterested service to the client that has nothing to do with pushing any particular product.

Salespeople, on the other hand, sometimes believe that a consultant is a sleazy flimflam artist who scams money out of clients without providing them any tangible benefit. They believe the client could have gotten better help directly from an honest salesperson just for the opportunity to try and match a good product to the needs of the client and secure the client as a long term future buyer.

Some salespeople do lie and cheat. Some are flaky and only interested in what they can get today.

They are not interested the long term interest of themselves or their customers. Some consultants are just as flaky and offer ridiculous solutions, or don't know enough about their clients or their field to be of serious help.

Some consultants are incompetent fools who waste their clients' funds on trendy ideas that don't work very well. Some consultants spend their clients' money on grandiose plans that are almost beyond the means of the client and certainly not within a practical range for the size of business.

A good salesperson knows that his word had better be his bond, because it is the main tool of his trade. He won't lie to his clients and sell them something they don't need because he knows that eventually someone will point this out, and his sales will eventually dry up. A good salesperson will sometimes sell more than the client could get by with, but not to the point where it damages the client's ability to survive or compete.

By edging too close in this direction, a salesperson puts his credibility at risk for the next sale. Self interest will regulate a wise salesperson so that the client may wind up with a better product than he might have purchased on his own, but never with a better product than he can afford. And certainly, never with a worse one.

A good consultant might argue that a salesperson represents just one source, whereas the consultant is free to select from all sources when recommending a product. There is some truth to that. A good consultant can recommend a product from a competitor of a given salesperson, whereas the salesperson might recommend his own product line even if the competition has something a little better.

A good salesperson would steer a potential client toward the competition if there was a large benefit for the client, not just preference or minor features or price. He would prefer to lose this sale so he could be trusted and recommended to others.

A mediocre or bad salesperson would sell anyway. In the same vein, a mediocre or bad consultant might easily recommend something worse, just because he had a personal preference or got a “finder’s fee” from the competition. Or so that he can collect money making it work when a different product might require no such consulting assistance.

So you can see that the issue is competence, not job description. A good salesperson is a consultant, with a focus on the products he knows best. A good consultant is a salesperson, but of his own opinions and experiences, rather than a specific product. In essence, it boils down to recommending the products he knows best, just as it does for the salesperson.

The issue of motivation comes into it now. If a consultant takes no money from any product vendor, but is paid strictly by the client, then there is some grounds for claiming a “disinterested” or uninfluenced assistance to the client. But the moment that the consultant takes a “finder’s fee”, or gets a “support fee”, or in any way takes compensation from a vendor who supplies a product to the client with any connection to the advice of the consultant, then that consultant can no longer make the claim of total disinterest.

The consultant has, in fact, received a sales commission from the vendor. He is a salesperson in actual fact and function, even if he still steadfastly believes in the superiority of his profession compared to sales. To the extent that he denies this obvious similarity, he lowers his moral stance through hypocrisy.

I've known "consultants" who would gladly take a "finder's fee" or a "consulting fee" or a "support stipend", just so long as you didn't dare to call it a "sales commission". Yet I've never known a salesperson who wanted a share of the actual consulting fees that might be charged by a consultant who was recommended to a client by the salesperson. The salespeople I've known have sometimes been uninformed and even lied to me about what was going to happen, what it would cost, or how the product would work. To that extent, they were morally wrong if not legally responsible for any damages their recommendations caused.

But I've also benefitted from salespeople who pointed out methods of business, production, or alternative products to the ones I thought I wanted, even from them, even for less money than I was ready to spend. Those people did me a good service. I've learned a lot from salespeople.

Unfortunately, there are bad consultants and bad salespeople in the world. The good ones dislike the bad ones regardless of the title. The problem for a person who is interested in making money with his ideas has several facets.

1. Bad consultants and salespeople spoil the market for good ones. If you are trying to sell your product or services, the wreckage left by the incompetent and the greedy gets in your way. If you study the bad ones you will learn what to avoid, especially those techniques and appearances that can flag you as a flake when you are really not. If you study the good ones, you can try to emulate the behaviors that help overcome a client's natural reluctance to place trust in a stranger.

2. You will need to deal with salespeople and consultants yourself, and at various times you will actually want their assistance. Determining whether you are talking with a bad or a good one can be a challenge, and an expensive one if you make the wrong judgement. The smoothest talkers will not always have your best interest at heart; sometimes a person who doesn't seem all that personable may in fact have the experience and ideas that you can use best.

3. Because of the animosity between some consultants and salespeople, you may find yourself siding with one or the other in your business overview. That is, you may decide that since all salesmen are crooks and flakes, you will only promote your ideas yourself or use a consulting firm to help you.

Or you may decide that since all consultants are incompetent, overpriced grifters, who use buzzwords and trendy concepts to make up for lack of any real knowledge, you'll eschew the services of advertising agencies, business assistance firms, public relations people, computer consultants, and deal strictly with vendors and their salespeople, doing the rest yourself.

Truly, you miss great opportunities when you think that way. The best route is to realize that there are a few good people in almost any field, even politics. To find them, look into the past. Find people who have used the ones you are thinking of using. Ask them how it worked out, not just from last year, but from several years ago. Get as many opinions from various clients as you can, before you decide who to trust.

And then, don't give up your edge of suspicion. You want to keep in mind that even a good salesper-

son or consultant may be wrong, or may misunderstand what you really need. If it doesn't sound right, or sounds too expensive, get more opinions. Generally, the solutions that have a wider acceptance over a longer time periods are better ones.

The new hot idea may in fact be a serious competitive edge, and perhaps you will regret not jumping on. However, try this test: pretend it fizzled. Determine where you would be financially. Is this a risk you can shrug off, and try something else? Or would it be the end of your business? If you are selling the idea yourself, can your client take this test and pass it?

The bottom line is that consultants and salespeople can provide useful services, both to you and for you. But both professions have their share of incompetent practitioners, who have muddied up the stream. It is important to separate performance from the profession, and judge without emotion, based on references from a significant number of former or current clients. The more cost that is involved, or the longer the expected term of reliance, the greater should be the research into past performance.

Profit, Freedom and Philosophy

I've spoken with a number of individuals who have a successful business now, which (it came out in discussions) was completely outside the field in which they originally intended to work. Sometimes it was just an accident, taking a temporary job that turned into a life work. But sometimes it was having the mental sharpness or awareness to recognize an opportunity where others saw none.

The majority of the successful people I have met were what you would call "nice" people. They always seemed generous, concerned with the needs of others, yet well grounded in what their business was all about. They knew that the bottom line was to show a profit.

They figured out ways to do it so that everyone from clients to employees to themselves came out feeling good about the deals they made. Any thug can get money by hurting someone in a deal. A business person does it by seeing that the other person benefits, too. Those who do not, revert to being thugs. They usually don't last very long in business, or if they do, their reputation keeps them from greater success.

Some highly successful people have been quite the opposite, as far as "nice" is concerned, but even the self-adsorbed marketing genius with a tendency toward high functioning autism, focused so strongly on the task that he berates and devalues the people he needs to accomplish it, won't succeed for long without providing remarkable products, success to associates, and leaving most people better off for his having been alive (even if a few wish he had not existed).

Such people are the exception, but I don't want to fail to acknowledge the power of preternatural focus. When engaged in an exceptional effort, a determined person can seem to ignore all other distractions, including human ones. Fortunately, most people try not to lean too far in that direction (which may be a trade-off between happiness and faster, greater success). It's a matter of balance. Nice is not the opposite of successful, but focus is a major component.

The Morality of Profit

In spite of all the socialist rhetoric, and in spite of unfortunate recent displays of irresponsible greed by top executives in a few very visible large corporations, I believe most business people are not thugs. That it should even have to be mentioned is an indication of how poorly our educational system has understood our way of life, which is based on the profit motive and is called capitalism.

Or, perhaps, some within the political and educational system do understand, only too well, that there is an inequitable way to gain a profit, and that is simply to take it by force.

When an elite few decide where and to whom the fruits of the mental and physical effort of others will be distributed, and attempt to create a society in which this confiscation and distribution is backed by force, then we see a society in which the elite are fearful of the majority of their subjects, and do not wish them to have weapons. Anti-gun people tend to be anti-profit people, for instance. Not every anti-gunner fits this mold, but it is a reliable generality.

I am going to talk about education and politics in a general way. There are excellent, dedicated teachers, professors who know their subjects well, politicians whose main motivation is to provide a service to humanity. Even some of the people who are on the opposite side of the philosophical issues are not necessarily evil. Not every person who is wrong is part of a conspiracy or has an ulterior motive (that they recognize, at least).

However, by and large, there are enough politicians and professors who espouse a radical liberal philosophy, antagonistic to capitalism and freedom, that I feel justified in painting with a broad brush. I apologize to the excellent professionals who may feel that I've splattered on them in the process.

I hope that you do not think "elite" means "educated" or even that "educated" means "wise". The most uneducated rabble can be "elite" if they consider themselves separate and apart from the main group of citizens. They see society as having a life apart from its citizens, and the individual is something to be suppressed into conformity with the rest of that collective life.

Except for them, the world is populated by a gigantic insect that would run into chaos, without their guidance. This billion-legged bug is comprised of individuals who just won't march in step by themselves. The caterpillar would trip over its own feet except for the constant correction provided by the "brain", which is this elite (meaning "separate") group.

In fact, however, most of the "elite" happen to be in politics and in education, not because they are the wisest people, but because those are the fields where someone can survive who wants to control others and disguise it as a great service.

It is a refuge for those who need to compensate for their inability to provide any tangible benefit to society through legitimate efforts in production, invention, or the guidance of others earned by respect for their leadership abilities. Tenure substitutes for talent.

In politics and in education, one can influence the course of a generation by laws that restrict freedoms and by convincing those who might protest that this is really the best solution. Educators who could not lead in business can substitute a philosophy of dependence on the state. Politicians who could not provide benefits to society by their own effort can use the state to force others to do it for them.

Except, they can only frustrate the natural flow of benefits, as they introduce confiscation and unearned allocation of profits. Ideas backed by force may be more efficiently implemented compared to ideas backed by popular acceptance and demand. An army doesn't win wars by popular vote of the soldiers on the course of action. But most of us don't want to live in a constant state of war. Nor do we want to live in a constant lockstep march to accomplish someone else's goal, no matter how efficient that might prove.

I was once reading through some college text books on economics, and was shocked to read that capitalism was dismissed as a sort of joke, in less than two paragraphs, out of the entire work. It was breezily written off as a sort of pipe dream, that the market could possibly be self-regulating because of all the individual decisions of people buying and selling and making up their own minds about each individual transaction.

The “invisible hand” metaphor of Adam Smith, written in 1776 in his book “An Inquiry into the Nature and Causes of the Wealth of Nations” (usually just called “The Wealth of Nations”) was barely mentioned, except in derision. The Scottish professor’s theory, greatly condensed and simplified, was that people provide the goods and services that benefit society not out of kindness or a desire to serve, but for their own self interest, and they succeed only if they do a good job at it, providing what the others want for a price they are willing to pay. Individuals do what they think will benefit themselves most, and it usually turns out to benefit society as well.

The economics texts I read were written in the 1960’s. I had expected to see such things in books written in the 1930’s, when the communist experiment in Russia was still the drawing room topic among those who produced nothing but opinions, and survived because of grants and endowments from those who actually did produce useful goods and services by utilizing the principles of capitalism.

I had written some little essays in those days about hippies in San Francisco eagerly awaiting the support check from their financially successful Daddy while picketing against capitalism. If successful, they annihilated their own means of survival. Ironic and hypocritical? Or just a symbolic death-wish brought on by their own lack of self-worth? Then they grew up and become liberal lawyers, politicians, and professors. Good thing they reached adulthood (physically, at least) before Daddy’s money or patience ran out.

I recently picked up some later economic texts and was amazed to find that capitalism is still treated as a simplistic, unworkable concept, as if anyone with

the slightest education (liberal education, of course) would have long ago discarded it as a serious philosophy of economics. How can we expect a system to work when those being trained to make it work are not taught what it is?

The big bug can only be forced to walk the right direction for a little while. All its legs are attached to human beings, who unfortunately for the elitists, actually do have brains which sometimes achieve insights that do not fit the elitists' pattern. These insights are what ultimately make progress and profit possible.

As proof that "elite" does not mean "intelligent", consider: if the collectivists were completely successful, the ultimate goal would be to remove all means of resistance, then crush the innovative, most successful individuals until there was no thinking individual left. At this point profit and wealth would soon be lost along with solutions to new challenges, and eventually the great multi-legged bug would stop moving.

Instead of creative individuals solving the problems of the world and being rewarded for it with profit for their effort, the problems would slowly overwhelm the world. Disease, poverty, despair and social collapse would eventually follow, as it always has. History is the proof, which is probably one reason the collectivists are constantly trying to rewrite history or ignore it.

How bright does one have to be to see that the collectivist ideas failed in the Soviet Union, failed in every communist (or socialist or statist) country in Europe, that every socialist program in this country has eventually proven to be ineffective or worse, has bred the results it intended to eliminate, and that coun-

tries still embracing those ideas are struggling with periodic threats of war, and must crush their own people from time to time to avoid being overthrown?

How many people are flooding to the United States to enjoy the benefits of freedom? By contrast, how many people are lined up for immigration to become citizens of Communist China, or Bosnia, or Iran?

Name any socialist (communist, statist, it's all the same song with different hymn books) nation and then search for the lines of immigrants yearning to breathe free. No symbol of liberty is lifting her lamp for them. Instead, we have a soldier with a rifle, facing the other way, to keep subjects from escaping.

Was the wall between East and West Germany to keep the relatively free West from enjoying the abundance of the collectivist East? I can't hear you, former Haight-Asbury hippie now teaching, judging, or legislating with the same liberal mind-set. Invisible hand got your tongue?

Is there no logical comment from the cabal of modern socialists, busy helping each other get their collective noses back into joint after running headlong into fact, rather than the standard comfortable rhetoric? Or is all we get a flood of sputtered bumper-sticker slogans?

Middle Eastern countries which operate more as kingdoms or large tribes ruled by force and fear have managed to produce virtually nothing of value to the rest of the world in hundreds of years of their existence in various forms.

Once the great astronomers, linguists and mathematicians of their day, these tribal nation-states have stagnated into virtual uselessness. Only the value of the oil under their feet, discovered and made useful

by modern capitalist technology, has enabled them to maintain any semblance of modern society to cloak an atavistic dictatorial mind set.

For proof of the power of capitalism, the economic expression of democracy, just look at how far the United States of America has come since 1776, and how little these dictatorships have advanced since the 12th century.

Capitalism has done incredibly more to advance the well being of the average US citizen in less than 300 years than religious dictatorships have done for their people in thousands of years.

If the educational elite want to apply the same principles that have proven to be failures over and over again, and can only generate a gush of nonsensical rhetoric to hide the fact that the concepts are, in absolute fact, failures, how intelligent are they?

Using the intellect, one would deduce that the past failures of socialism, communism, every form of collectivism, could be extrapolated to future attempts. It doesn't take much of a genius to notice that people who whack themselves over the head with a hammer normally stop doing it because it hurts.

To continue preaching the same tired old socialist ideas is equivalent to asking everyone to pick up a hammer and start whacking themselves on the head because this time it will really feel good! I won't bring up that over-used saying about the definition of insanity (because it really isn't the legal definition) but hey, if the shoe fits...

Using the mind for something other than a fragile anvil, one could easily see a connection between the unprecedented growth of the average standard of liv-

ing in the United States since its inception, the adherence to remarkable concepts of individual freedom, and the encouragement of the production of profit through capitalism.

Profit is generated by the unfettered, fertile minds of average human beings seeking their own well-being, encouraged and heightened by the periodic appearance of a Henry Ford or a Steve Jobs to show us that great things can be done (or a Warren Buffett to show us how to package good things into great ones).

The reward for providing value to others is profit. And because of this, those who have little or no value to offer must hate and vilify profit, must make the very word sound dirty to as many people as are willing to blindly accept it.

Profit was equated with plunder, which is the forceful taking of value from others. Of course, when the collectivists forcefully take profit through the power of government, it is justified by “the greater good”, defined by those who consider themselves greater than the rest of us, and of course, by self-definition, good.

During the 1920’s and 30’s, there was a general academic gushing over the Russian communist experiment. Stalin put a damper on the enthusiasm, or at least on the public’s acceptance of the academics’ praise and approval. The slaughter of millions of people who disagree or displease the elite may appeal at some level to the professor of economics who believes profit (or lack of it in his brief postgraduate business experiences) to be the root of his flight back to the shelter of academia.

It does not appeal to those people who see themselves as possibly, at some future point, being in disagreement with the prevailing elite.

Wealth is not always collected for the benefit of the elite themselves. Making decisions about how it is used can be an intoxicating source of power. For some people, the exercise of this power is justification enough for living.

They do not need the actual benefits of wealth or comfort (although, if you examine how the leaders of any society live, you find that most of them enjoy wealth and comfort at a higher level than the average citizen regardless of the political system).

The difference between a just society and an unjust one is whether the leaders provided a benefit in voluntary trade for their wealth or took it by force and declared their leadership as benefit enough.

In other words, did each citizen make the voluntary decision to provide some small part of their ultimate wealth in trade for a benefit that was considered greater, or did each person have their portion taken by force, through edicts, laws, taxes or demands?

This argument brings in taxation, which is a taking of wealth backed by the threat of force by the state. But citizens of a state imply, by their acceptance of the benefits that the state provides, that they are willing to accept the burden of paying taxes to the extent of those benefits.

So long as citizens have recourse at the voting booth or through voluntary means to change the levels of benefit and taxation, or to selectively give up certain benefits and avoid being taxed for those (as with turnpikes, telephone taxes, automobile licenses, one can elect not to use the benefit and automatically be exempted from the tax) then it is not inconsistent with the principles of a free country to insist on the payment of taxes, enforced by the power of the state,

for those diffuse and ubiquitous benefits that cannot be separated from citizenship itself.

Examples would be the protection provided by a military and police force, and the general benefits of having courts, laws, and a system to maintain justice.

If we have allowed the growth of our taxes by looking for other benefits, which might better have been provided through individual action and enterprise, then we have only ourselves... and perhaps the academics who taught us to expect and require such services from the state... to blame. We still have the right to organize a majority vote to cease providing such benefits as we do not wish to pay for through taxes. At least, we do until voting non-producers become the majority.

At that point the burden of taxation spirals upward as a shrinking minority of producers shoulders it, eventually resulting in either a collapse when the last person working decides to turn off the lights, or more likely a slow awakening to reality and shift of philosophy among all but the dullest of non-producers.

Neither individuals nor their laws are perfect. We continue to strive toward perfection, by working to influence others toward our view, and to enlist their support in making legitimate, peaceful change. There is nothing unpatriotic about complaining, as anyone can observe by reading the biographies of the founders of this country!

What is unpatriotic is undermining the foundations and denigrating the very principles upon which the

nation was founded. Chief among these principles is the encouragement of profit through capitalism.

Socialism, communism, and fascism are just flavors of the decade. They all sprout from the same root, which is a collectivist view: “we” the elite know what “you” the masses cannot understand, and so it is our fate to control you for your own benefit.

Which defenders of these systems do not believe they are mother and father, figuratively, to the ignorant masses? Their belief may in fact be sincere, and they can justify any atrocity therefore in support of it.

People have flaws, and the societies and dealings of people will always reflect these flaws. To condemn any social system because it is not perfect would be to ignore the nature of the people who comprise it. But in general, a government and society is successful to the extent that its citizens are free to own property, direct their lives as they see fit without infringing the same right for others, and profit from the fruits of their mental and physical labors.

Being free to profit does not guarantee a profit, of course. And directing one’s life as one sees fit must apply to each person, so that there is no right to abrogate another’s right. One cannot decide to shoot clay pigeons in the middle of the city, because the property and lives of others would be at risk. The thief may need your watch more than he thinks you do, but need is not a right and force is never justified in initiating a transaction.

If you shoot the thief after he forces you to give him your watch, you did not initiate the use of force. You only closed the deal in the same way it was started. However, if your bullet might have hit anyone else, then your choice of force wasn’t appropriate since

that would infringe on their right to “life, liberty, and pursuit of happiness” in a major way.

Logical principles of freedom are not as wild and impractical as the collectivists would have us think. Even the most dedicated individualist should recognize the limits of his freedom of action in society, based on the sharing of rights with other individuals.

The collectivist elite would have us believe that by taking one or more of these principles out of context and ignoring self-evident violations of the same rights for other citizens, they are either disproving the validity of capitalism, or they are showing that our principles apply equally or better to some form of statism (the political version of collectivism, referring to the supremacy of the state, which is the controlling elite).

One technique is to try to define a desire or social benefit as a right. Don't fall for it. Too many good people already have.

We all desire success. We don't all have the right to it automatically. We only have the right to try.

We all desire and even need such intangibles as love, validation, self-respect. But there is no right to have these things, decreed by law and enforced through the power of the state!

Be careful that you don't let the liberal elite trick you into thinking of needs and desires as though they were rights. When someone says you have a “right” to a service or product, the proper question would be, “What about the right of the person from whom it is taken?”

Some of the collectivist elite are good people in every way except their wrong-headed philosophy. That is, some of them, perhaps many, probably believe that

ultimately people would be better off without the “excesses” of individual freedom, such as the ownership of firearms and the “need” to make a profit, which some people see as greed rather than the legitimate motivation for working.

Some earnest and sincere writers have produced beautiful works of literature, compelling stories, which unfortunately reflect a wrong-headed view of what might happen if only their particular version of statism or collectivism were allowed to take over the world.

I enjoy John Steinbeck’s work but I disagree with his philosophy. He’s funny, sensitive, touches the heart with tales of pathos, and some of the treatment of farm workers during the Great Depression did provide an opportunity for communist philosophy to be portrayed as benevolent. Often a bankrupt philosophy begins with benevolence to those it will ultimately destroy.

Intelligent and sensitive people can allow emotions to rule their logic, and can then develop an illogical philosophical construction that appears to be more in sympathy with the plight of the downtrodden, with the victims of greed, than its actual implementation would produce.

I can recall long discussions, which sometimes devolved into arguments, with people who felt that profit was only produced at the expense of victims, and eliminating profit would free the world of poverty, crime, and misery. If only everyone worked without charging, or at least without charging more than their products or labor actually cost!

But what, I asked, does a service or product “actually” cost? Who determines that? If I spend all day washing dishes at a diner, and a doctor spends all day

treating sick people, are we going to say that a dishwasher and a doctor “cost” exactly the same?

The doctor could do my job without any training; I couldn't do the doctor's job unless I had the ability to endure medical school and internship and the money to pay for the service and facilities I used or could convince someone who did have it that I'd be able to repay it with interest once I was trained.

Is the value of my work whatever the person who owns the diner and myself agree on? Is the value of the doctor whatever his patients are willing to pay for his work and whatever he is willing to accept for it?

Will the owner of the diner pay me as much as he would pay the doctor for a day's work? Probably, if the doctor just washed dishes. Probably not, if the doctor cured his illness.

Marx and Engels, in their consideration of the value of labor, tediously and foggily outlined in the Communist Manifesto, would ignore the intellect, which gives labor its value. There is no labor, in their socialist view, if there is no sweat.

By this standard, a person who writes software only labors when he pushes the keys down, and not when he develops the work in his mind.

Karl and Fred produced nothing but writing. Their labor by their own standard was next to nothing, and their compensation should be the same.

I doubt they would agree today, after seeing what liberal socialists high in government get per speaking engagement, an activity even less taxing than writing (unless you happen to be a taxpayer subject to the results of their speeches).

“Surely,” I would say, “you can't believe that the fruits of the mind have no value? Would you put no value on a plan to invent the electric light, unless Edison

had actually blown the glass and built the carbon filaments himself?

What if he had conceived the idea, and paid laborers exactly what the labor was worth to build the first working bulb? Then, since he had never actually produced anything but the idea, would he be entitled to no compensation for the brilliance his idea brought into the dimly lighted world?

Would the millions of people who no longer had to endure whale oil lamps or suffer the risk of fire from candles deny Edison some part of the compensation paid for the bulbs? Would the factories employing thousands of people making the bulbs not owe something to his mental effort, such as their very existence?"

Usually by then everyone had dozed off. Or perhaps some tenacious philosopher would say that people who invent new ideas should be paid a reasonable price for it. Then we would launch into a discussion of who decided what was reasonable, and how they decided it.

In the end, I would always quote Adam Smith and the automatic regulation of prices by supply and demand, so that the value of an idea was whatever people were willing to pay for it, not what some elitist felt was fair.

I contend that value is relative to the time and place, not fixed by fiat. If Edison had been able to reach back through time and hand his bulb idea over to the Native Americans, they would probably consider the thing worthless, since it required a vast array of other social and technical advances to operate. They had no insulated wire to connect to their nonexistent batteries or generators. They would be correct,

for the time and place. Electric light? Stupid idea! Stoke up the buffalo chip fire, if you'd be so kind.

A glass of ice tea is probably worth the dollar you pay for it at a beachside resort, or it would go unsold. But it would have a vastly different value in the middle of the Sahara a day after your canteen sprang a leak.

I'd be willing to trade at least two socialist professors for a sip, at that time and place. Likewise, time and place are nearly the entire value determinants for transportation, which use considerable capital equipment and yet consist entirely of a service.

You pay directly for speed, the inverse of time, in getting goods delivered, and you pay more or less directly for distance. Your order beside you in New Hampshire is worth its cost of manufacture plus the cost of putting it there. If you think not, try using it while it sits at the factory in California, or going there yourself to bring it back.

One might try to calculate the trillions of dollars worth of business and further inventions that the electric light spawned, the candles saved, the fires that didn't happen, the kerosene and whale oil that were not required, and possibly even bring up the Edison effect which was later developed by DeForest and lead to the entire field of electronic amplification, and eventually made Les Paul's electric guitar possible.

Edison missed the development of the diode tube even though he noted the one-way stream of current from the light bulb filament to an unconnected wire inside the glass, through the vacuum, leaving the radio for others to develop. So we have to deduct a few billions or maybe trillions from his collectivist credit account. It's hard keeping things straight when you ignore the realities of a free market.

Profit is the fuel that runs business, but more than that, it is the single most critical element in elevating the condition of the human race. Without a chance to make a profit, who would risk anything on developing a new invention for use by anyone but himself, or building any useful business?

Without those profits, if every item was sold for “exactly what it cost to make”, where would any growth and improvement get its financing? What did it cost to make, by the way, if you consider that engineers, designers, salesmen, delivery people, accountants, shipping clerks, and quality control testers didn’t actually provide the direct labor of “making” the item that was sold, but without whom the enterprise, the system of making the item come into being and putting it in someone’s hands perhaps thousands of miles from where the labor was expended, would not have been possible.

A machinist can stand in front of a lathe all day and without a blueprint or at least a concept of what to make, nothing is made. How much is the blueprint or concept worth? How does the elitist figure that out?

I contend that the item is worth whatever the person who wants to buy it and the business which wants to sell it can agree is the right price. If the business wants more than the buyer is willing to pay, there is no deal.

If it costs more to make than anyone is willing to pay, then the business will go broke or figure out a cheaper way to make it, or make something else with the capital they have tied up in building, machinery, and supplies. If there are other buyers who want to pay that much, there are other deals. The average that people willingly pay for the item normally becomes

the established price because it is easier than negotiating with every person.

More products can be sold if they can be widely advertised than if a salesman/negotiator has to talk to each potential customer and find out what they will pay, and yet according to the elitists, no value is added by these “middlemen” (or should we say, “middle-persons”?).

The value of marketing and distribution is the difference between knowing about a useful product, and never hearing about it. It is the difference between going to the factory to fetch it yourself, and having a local store get it, stock it, and have it available to show you when you want it.

If anyone thinks making a product available when needed does not cost, let them try to build a shelter and some shelving without a penny in their pocket to pay for the material, the land, the tools, the carpenters... and of course the building permits that those darn collectivists insist on imposing (all right, all right, someone has to make sure my neighbor doesn't put a pig farm next to my cafe).

Even the internet (which we use to provide many of these same services) adds value, so the various concepts and services that make this technology possible provide revenue to the people who supply them. When I pay for web hosting, for graphics software, for digital cameras, for renting a small part of a giant network of cable and satellite links and phone wiring, I am really putting a small amount of the revenue from sales into making our products more easily understood and more readily available.

This is precisely the same thing I would do if I paid a distributor or dealer to stock and resell the products instead. In either case, there is a service provided,

whether by “middlemen” or by technology that performs similar services. In both cases, a small part of the cost of a product pays for this service. Without it, only a few close friends and relatives would even know the products existed, much less know how they work and where to get them.

Small businesses shortcut the pricing study by just figuring out the direct material and labor costs, working out some general figure for the total cost of staying in business for a certain time period, such as an hour, a day, or a year, and then estimating how many products they might make or sell in that time, and what part of each product’s price has to cover the overhead.

Then they look at what else is on the market, if anything, similar to the product. Usually there is something to compare. If that product is cheaper than the “actual cost” as figured by this simplified method, and the business can come up with no special benefit to the new product that justifies a higher price, then they have to figure out how to make the product better, cheaper, or attach some service to it that gives it added value, such as free delivery or a better way of paying for it.

Or, maybe, they can come up with better marketing or packaging to support a higher price. Even a better name, color, or some other element of design that changes the perception of value has value if it works. It’s easy to be sarcastic about perception of value and all the odd things that make people desire one virtually identical product over another. But that would not be a useful attitude in our own sales effort.

The profit, or difference between all the “actual costs” of producing, stocking, alerting the buyers, and delivering the product in an appropriate package, and

the selling price, may be divided among many entities. These include retail stores who provide a convenient place to get the product, distributors who make sure the product is available when it is needed and get it to the stores on time, and the manufacturer who by now has seen his profit reduced by the distribution services, and will probably consider them part of the “actual cost” next time!

The incentive to keep thinking up improved ideas, to hire people to make them and distribute them, put them in packages and get them down from shelves, track the orders and finances, pay the taxes, get the licenses, spend hours out of every month filling out forms and complying with regulations... all of this is done for one reason: because there is the chance to make a profit.

The larger the profit, the more likely this will be done. In fact, if the profit gets large enough, others will notice it and try to do the same thing, which puts pressure on the price, and brings down the profit or encourages innovation in reducing costs at various stages to keep the profit.

Competition results from a decision to allocate resources where the potential profit is greater. If your bank only pays five percent interest, and the bank around the corner pays ten percent, you would probably move your money provided the service was about the same. Whoever makes the product people like best, for the least cost, wins. Why would anyone want it any other way?

Oh, wait... Someone who is not able to compete, who cannot think of a better way, who offers little or nothing that other people want, might wish for a different system that is more “fair” to people like himself.

By “fair”, he really means “unfair” to those who deserve to succeed and profit. By “fair, he means providing the unearned to the undeserving, and carefully not mentioning those facts. By “fair”, he means “give me what I want, free from the amount of mental or physical effort others put forth to earn it”.

An artist who spends his life pretending superiority because his more sensitive nature perceives and produces a form of art that most others do not appreciate would expect to be compensated in accordance with his own estimate of the art’s value, not in accordance to the market value.

The difference between what most people would be willing to pay, and what this person expects and demands that society give him, is in effect free booty, taken most often by taxation and handed out at the whim of a committee. It amounts to free goods and services to a few, at the expense of many others.

The ultimate end of free goods and services is that no one capable of it wants to provide any goods or services. The ultimate end of no profits is no products.

Why is this so difficult a concept for the collectivist elitist to grasp? Have they not observed the great experiment of the Soviet Union? Perhaps they equate any profit with unfair profit, monopolist excesses, and the comparison in size of their own paycheck with that of more successful people.

Perhaps they choose not to see the obvious because it does not serve their ego. Perhaps the sons and daughters of self-made men may feel undeserving of their legacy, and make up for it by forcing that feeling on anyone who is perhaps more deserving, hiding the real motive under the mantle of “giving back to society” or “repaying a debt to humanity”, reveal-

ing phrases indeed when you consider what is being given back or repaid may be deeply felt to be unearned.

Wealthy people are sometimes just as intensely anticapitalist as failed professors and poor intellectuals. And as conflicted as it may sound, sometimes people who depend on the functioning of capitalism for their position and wealth, are vocal anticapitalists. The reasons that they give are usually based on a professed concern for humanity and a condemnation of the excesses of a few of the worst examples of corporate leaders.

But large corporations sometimes drift away from the essentials of capitalism. Rising to the top, and leadership, should come from merit-based competition. But when an organization becomes so large that it begins to make its own weather, so to speak, the principles that make capitalism work may start to become subverted or ignored, short-circuited by artificial mechanisms that reward loyalty over competence, and can encourage greed to grow out of reach of normal checks and balances.

In the chapter on partnerships, we spoke of an “Unholy Alliance” between the idea man and the money man. There is a larger version of this, when a corporation becomes large enough so that it can infiltrate government and government officials can find refuge in the corporation after their public career. This can lead to a flow of regulators and lawmakers who are directors and officers, merging the lines between government and business. Small and medium sized businesses have very little place in this exchange of people, except perhaps for prestigious law firms.

The danger is not in the nature of capitalism or in the limited democracy, but in the subversion of these

institutions into a blend of government and business. A position on the board may or may not be compensation for services rendered as a regulator or lawmaker, but it may have that appearance. Certainly, a regulated industry would be foolish not to try to fill vacancies in a supervisory agency with people from its own ranks.

These are practices that need to be more carefully monitored and prevented if possible. But the problem is, who does the monitoring and preventing? How? The same exchange of people could be simple logic or a payoff, depending on circumstances. How can a fair law be created that would prevent cozy business and government job changes without infringing on too many freedoms we all expect?

Unintended consequences are often the most important result of such legislation. More public scrutiny may help curb abuses, but my point isn't that there is an easy answer somewhere. Rather, it is that in spite of the need to reach even closer toward perfection, it is important to recognize that most of the time, a relatively free enterprise system already works well in spite of the highly publicized failures.

Some people are willing to say, yes, that's fine for small companies. We're in favor of the small business and all it implies. But when the small business is too successful, it changes into an evil "Big Corporation" which negates all the good things it did to get there. We want success but just to a certain point. And we'll decide when that point is reached, by the way ("we" being those who want to govern "them", which includes "you").

The issue isn't how large a corporation becomes so much as how well it manages to keep its eye on the ultimate goal of providing useful products and ser-

vices in a competitive world. Profit, in other words, is the regulator.

Profit is not theft. It is not confiscation. It is the result of providing goods and services at a price people willingly pay, provided the force of law is not invoked to hold back some competitors in favor of others. Much of the evil blamed on free market operation is actually the result of the imposition of such laws.

Still, leaving aside the arguments about tariffs and government regulation of enterprises, isn't there a qualitative change in business as the quantity of it passes some vague but large limit? It seems obvious that mega-corporations do not behave in the same way as smaller enterprises, so doesn't size change the rules?

Size alone is not the problem, but size does serve as an enabling factor in subverting merit based internal leadership, and it can provide so many distractions that the stockholders and directors fail to set proper standards for the leadership they hire or promote.

Stockholders can lose sight of the purpose of the company they own, which is to provide profitable services or products, and believe that the purpose is to increase the value of their stock or generate dividends. This is a consequence of success, not the purpose of the company.

Like the pioneers who ate their seed corn, there are self-destructive ways to produce dividends or to increase the stock value temporarily, which ultimately destroy both the ability to pay dividends and the value of the company.

When the company starts down this path, the quality of leadership begins to deteriorate. Instead of ca-

pable business leaders, the top management begins to be replaced by people who are primarily politicians.

Such individuals have their own financial interests squarely in their sights, but are able to flash the big smile and tell the board exactly what it wants to hear about the coming quarter, and maybe even make it appear to happen with help from layoffs, spin-offs, and creative book keeping. But it cannot happen forever that way.

Instead of thinking primarily about the year ahead and the years after that, the thinking is compressed, shortened to three month bites, or even less, in order to satisfy the board, who want to keep the investors happy with the least possible effort. But slowly, the board turns into a rubber stamp for top management, and top management turns to total self-interest.

Collapse becomes inevitable, but everything looks fine to the public and the institutional investors because the books creatively reflect a much brighter future than actually will occur.

When the problems become public, and the excesses of the management become known, this anomaly among thousands of properly run corporations is held up as the prototype of all corporations. Greed is thus “proven” as the motivation behind big business.

The leap is as if someone with a strange agenda began insisting that murderers represent all humans. You would agree that murderers are bad people, but you might wonder why anyone would assume that all humanity had the same motivation. What agenda would such an assumption indicate?

So, do a few shortsighted officers and blind-sided board members mean that the entire system of free enterprise is corrupt and unworkable?

Of course not.

But people who feel, deep inside, that they are weak and worthless compared to those who actually do move the world forward can grasp these examples as proof that all achievement is nothing but greed, and all progress is destructive.

They may do it in the name of “the poor” or “the powerless”, but that is merely to paint a veneer of morality over their less noble motives. Their alternative world has already been tried, time and again, leading to far worse conditions for the very people they insist they wish to “save”.

In the end, the most noble sentiments preached by collectivists may be nothing more than evidence of hidden jealousy directed against those with a better grasp of reality. There may be a base of nihilism, a sense of worthlessness, which those who would destroy success struggle constantly never to admit is at the heart of their hatred.

Don't fall for it. No economic system is without some degree of unfairness simply because people are not perfect. Mistakes are made. Then they are corrected. A system that is based on unfairness cannot possibly succeed, and no such system ever has.

For all of the flaws and errors of the human beings who have been a part of the design and operation of the great experiment in freedom, there have been far greater and longer lasting examples of nobility, in the moral sense of the word. The swings up and down are centered on a moral baseline that is elevated beyond comparison with most other political and social systems.

Certainly there are instances of those lesser human traits coming to dominance. There always have been, and probably always will be. But the system of government does not institutionalize and embrace raw power for some individuals at the expense of others. Most other systems do. That alone is such a profound difference that the transgressions of some leaders in business and government are insignificant over the long run.

In the bankrupt Keynesian economic view, the long run doesn't matter: "In the long run, we are all dead". But our children and grandchildren are not. The long run is tomorrow, the result of what we do today.

We enjoy or suffer the long run of our predecessors' opinions. If they are so short sighted and unconcerned about the future that they dismiss it with a flip-pant delusion, as economist John Maynard Keynes did, then they are condemning their progeny to a chaotic and dangerous future.

The founders of the United States government had their own problems and flaws, which are well documented in various biographies, but in spite of those flaws, they were able to pound out a farseeing comprehensive set of rules based on principles of fairness, of basic decency, recognizing what human beings require to flourish and prosper.

That they were not of one mind, and argued, intrigued, even fought each other over implementation of principles only serves to underscore the greatness of the dominant ideals.

The moral superiority of the ideals rose above the merely personal quirks and flaws, as coarse earth erodes away to finally expose the durable gemstone. In the long run, all ideas are tested by time. The United

States has had a single form of government since inception.

Name another country, over 200 years old and existing today, with such success. Rome and Greece of the ancient times changed forms of government many times before they fell apart as great powers. The present governments are not the same as those that existed even 70 years ago. Remember the dictatorships that the Allied forces fought in World War II?

When you try, you find that other nations have tried a variety of dictatorships, limited monarchies, parliament/monarchy hybrids, constitutional democracies, and flirted with socialism, communism, and fascism. Most of the other nations today have some form of dictatorship, and hardly any of these is as old as a few terms in office of our presidents without some major change involving a coup, a war, a conquest by another nation or group within the same nation.

A philosophy of governance binds people within geographic borders into a single national community known by one name to other nations.

It is this philosophy of governance that constantly is challenged, and usually fails in the statist versions, but is tried in a new form, fails again, is brought up yet again in new trappings with a new slogan and leader, and fails again. The only lasting philosophy is one that recognizes the nature of humans and is patterned to be in harmony with their survival as intelligent beings.

It has been said that democracy is a polite term for mob rule. This could be the case if by democracy we only mean majority opinion rules. The idea that individuals, as the smallest minority, still have those inalienable rights that no majority decision can violate is the cornerstone of the limited democracy.

“Your rights end at my nose” is a clipped expression of the idea. Nine canibals deciding to roast the tenth would be democracy, but the tenth pulling out a mutually accepted rule book that says only other tribes are on the menu would be limited democracy!

A democracy limited by individual rights lasts because it works well, and is essentially, morally, the right choice. A philosophy which recognizes the right to life, liberty, and to the pursuit of happiness is not one which seeks to destroy and dominate others.

At its best, it is a political example of the Golden Rule in action. At its worst, the malice practiced by individuals is countered by the cornerstone philosophy. The inconsistency becomes evident, elections bring in new leaders, and eventually the individuals whose rights are violated have redress.

When you are considering your place in the grand scheme of things, and feel even slightly as if you may be on the wrong side of some moral equation just by seeking a profit in a business of your own, remember the sturdy foundation forged by the founders of the United States of America. Recall that you have the freedom to fail or succeed on your own merit, while acknowledging that same right to others.

What makes the opposite of this a good moral concept?

I believe that most people will do the right thing most of the time. The problems that occur because of those human lapses in good judgement should not be held up as normal behavior just to allow eager “superior” individuals to justify imposing their “solutions”.

The elite statistis use phrases such as “social justice” or “equitable distribution of wealth” or “eco-

conomic fairness” to hide the bitter pill of dictatorship under a lovely sugar coating, hoping everyone will be enticed to lick the surface and be lulled into taking a big bite while the sweet coating masks the bitter core.

Equitable distribution of wealth implies that there is a finite pile of wealth being hoarded by some people who keep it away from others, and that a moral solution would be take that wealth (ultimately, by threat of force) and hand it out according to some scheme of “fairness”.

This is a loser’s view, a feudal mindscape where achievers who actually create wealth are seen as privileged royalty who must have somehow tricked, cheated, or otherwise extracted wealth from all the serfs. It is assumed that there is a finite amount of wealth, which, apparently, always existed and is simply shuffled around. The concept of creating new wealth isn’t even on the elitist radar.

Members of the statist elite become the outside force for good, in their own (shared?) mind. Not that any one of them would object to getting his hands on some of that wealth, but only as proper compensation for the great good their rules and taxes and social policies will bring to the dull minded masses.

Unfortunately, they must make over-reaching promises, even flat out lies, to impose the illogical vision, because the average dullard voter would not grasp the depth of the true plans.

This is all justified. Anything is justified, considering the Utopia about to be created for all these mindless drones, and the sweet revenge which will be imposed on those who were able to create wealth by their own achievement, in spite of the statist theories proving this to be impossible.

The elite statist has not created wealth, only words and promises. His goal is to take wealth by the power of an organized force of government, and distribute it in a way he likes. That is real power, to him, not the gentle power of invention, innovation, finding new uses for existing ideas or assembling a handful of ideas in new ways... no, those are completely foreign concepts.

He has no grasp of how wealth is created. To him, it is just “there”. Rich people have it. Poor people don’t. Take it from the rich, filter off enough to pay for enforcers, administrators, assistants, forms printing, and a thousand other costs of setting up a huge bureaucracy, and give what might be left to the poor.

It is the concept of Robin Hood through a distribution network backed by force. Except, in the Robin Hood stories, we forget that the “rich” were not people who created wealth, but generally tax collectors and government officials enriching themselves by taking taxes (backed by force). The “rich” were not capitalists, inventors, organizers and developers of new ideas that the “poor” were glad to pay voluntarily. They were not Wal-Mart executives offering convenient, modest cost goods to the public and accumulating wealth by investing and using it to bring even more goods to the people who wanted them.

The concept of a morally superior Robin Hood taking from the rich and giving to the poor has been fatally skewed by our failure to differentiate a seedy early English sheriff and a corrupt tax collector from a person who becomes wealthy by offering desired goods and services at a price people are willing to pay. Robin Hood’s main victims were government officials misusing their power, not capitalists! No one presumably voted to pay those confiscatory taxes. So

the bad guys deserved to be robbed. Turn about is fair play.

It is not fair play, nor equitable distribution of wealth, to confiscate earned wealth from a person who created it, by his own efforts, and hand it out to others who didn't earn it. First, the incentive for other people to create new goods and services is greatly curtailed when it becomes obvious that just taking your "fair share" with no effort has the same result.

Second, a person who has no ideas or skills to use in growing that wealth simply spends it buying whatever might be available. His gift of wealth is quickly used up, and no new ideas, services or products are created. He helps others who provide him with whatever he buys, of course, but creates nothing of his own in exchange.

Those are the actual sources of wealth. Taking wealth from a person who created it and was employing it to create even more goods, services and ideas, and handing it over to someone who pays some bills and buys a six-pack with the rest, is counter-productive.

Taking from creators of wealth and handing it to someone else may buy votes in the short term, but when the bills pile up again and the beer is gone, the person from whom the wealth was taken may decide not to create more. He may employ his talents to avoid being robbed again, possibly by joining the ranks of the politicians who took it from him the first time, or even by deciding to join the vastly greater ranks of those who received the booty.

How is wealth created? By hard work and discipline, usually, employed in pursuit of a new idea, resulting in services or products that other people want.

Sometimes wealth can be created by good luck, but it would be rare for that luck not to have been coaxed into existence by preparation and the wisdom to recognize an opportunity others couldn't. It would be foolish to deny the possibility of finding a gold nugget or being in the right place at the right time with the right background and personality.

But wealth usually doesn't fall off a tree into someone's lap, even if they have made a career of being under the right sort of trees and wearing a large apron. Usually, a person creates wealth by providing good or services someone else wants to purchase.

When someone purchases a nine-dollar book or a five-dollar lunch, they just decided, on their own without any government coercion, that the money they earned with their own work was better spent on that than all the alternatives.

The small purchases flow through the dealer or store, and eventually a portion of each sale goes to the person or corporation (an association of persons pooling their resources and hiring management, not some evil monster which crawled out of a cave) which made it possible.

This is voluntary redistribution of wealth. It works very nicely. The corporation doesn't send jack-booted thugs to insist you buy the book they published or eat at their local diner. The statist elite will do just that, except you don't even get a book or a lunch. You get to pay for someone else to get whatever the elitist thinks they need!

And it is so well established in a tax system that you don't usually think about the process, since some taxes are required to keep any nation safe, provide for a court system, and other legitimate functions only government can provide.

But the foundation of the tax system is always the potential to use force. When some of the tax system is moral and necessary, and some of it is immoral and destructive to the nation, the solution is to make the majority aware of the immoral, destructive features so the bad laws can be modified or repealed. It is not to stand in front of the run-away train and yell “I am not paying!”

“Squash!”

The solution is to find your way into the cab of the engine, by proxy or in person, and get the engineer to put on the brakes. That is more work, but less flattening.

We have had many swings in government philosophy over the decades. If you read this at a time when freedom is being celebrated, get involved with the political party that offers the best chance of supporting it.

Remember, even politicians you mostly agree with are just people, and don’t necessarily represent every value you admire. It is tempting to reject a candidate who comes down on the wrong side of one or two issues, even though in general the person is close to what you support. Your candidate needs to win to be effective.

If winning means you must make a concession on one issue, don’t obsess over it. Too many voters shoot themselves in the foot by scattering their votes among candidates who have little chance of actually winning. The policies and decisions a winning candidate makes may not be the ones espoused on the road to election, the ones for which you hoped.

This works both ways. Some statism-minded people have actually done fairly well as supporters of capitalism without coming out and saying so. Some avowed capitalism supporters have supported abominable laws such as wage and price controls, the epitome of statism.

With politics, results usually are not as bad as you fear, or as good as you hope.

Actually, it might take a draconian application of the sugar-coated pill, so that even the dullest and most easily manipulated voter gets a full taste of the bitter core, and awakens to the fact that he voted for it. Maybe even he will not do so again, after that experience.

It is easier to boil the toad by slowly turning up the heat over years and years of statist policy, taxes, and encroachments on freedom, than to impose a sudden change. If every person who has income tax withheld had to pay the full amount at once, next year, there would probably be a tax revolt and a lot of politicians replaced by ones with less expensive vision.

When wealth is stolen by bits here and there over the year, people may complain but they don't revolt. It's not enough at one time to drive home just how much government programs are costing us.

Shifting more and more of the tax burden to the "rich" only serves to lower the bar for the definition of rich. If every single one of the top ten percent of the richest people had all of their income confiscated, it still wouldn't get the country through a single year of spending. Next year, of course, those folks would not have more to provide, or if they are smart they

would determine how to avoid providing it (maybe just not make any more goods and services).

Eventually, the definition of the “evil rich” comes down to the folks making whatever you make. You become the new definition of “rich”, and the poor are those who makes less. Long before that time, many of the people who provide jobs will have been taxed out of business, so there will be plenty of poor to whom the government can redistribute your wealth.

“Here, Joe, have a nickel. It’s social justice, came from that evil rich guy living next door who works at the burger joint and rakes in the mandated minimum wage that we imposed last year. “

“But first, you have to fill out this stack of paperwork, let us inspect your house, and if we find any guns or capitalist literature, expect a visit from our attitude adjustment team.”

At some point, maybe even liberal Joe will decide enough is enough.

Speaking of which, I recently had a call from an old friend, a high school buddy who used to talk politics and business and philosophy with me over the years. I hadn’t heard from him for a while, and was glad for the call. But the conversation took a strange turn.

“Do you know what the best form of government is?”, he said.

Well, yes, I thought it was the one we have, even with all its warts and distortions. The basis is sound, at least. Odd question. We never disagreed on that in the past.

“It’s a dictatorship,” he said. “Dictatorships are the most efficient form of government.”

Oh, my. Must be a joke, I thought. He’s just trying to get a rise out of me.

But no, he was serious. Something had changed his philosophy, his view of life. As he continued to explain his reversed views, it became obvious that the cause of the change in his philosophy was a reversal of his fortunes.

After a while, I realized that what had been a reasonably good life had lost its way. He was blaming freedom of choice rather than the choices he made.

I wondered if perhaps people who convince themselves that government should control their lives are equally disillusioned with their own choices. Rather than stepping up and saying “I made mistakes: I can fix them.” they are saying “Mistakes were made, and someone ought to fix them.”

Obviously, a dictator is more efficient than a democracy at achieving his own goals. The entire resources of the government are at the dictator’s disposal. His goals are all that matters.

But how about the efficiency of helping the citizens achieve their goals? The problem is in defining goals, not in just raw efficiency. Certainly the trains in a dictatorship can be forced to run on time if you shoot the engineers who are late, at least until you run out of engineers and the trains stop running at all.

Short term, a nation can exchange freedom for efficient achievement of a goal that the government wishes to achieve. In the long run, the cost of that accomplishment may be so high as to curtail all others.

Large projects undertaken by governments stand out as monuments to central planning, but what is not

seen are all the improvements which people might have made in their own lives, had their labor or their money not have been confiscated and applied to the building of the monument.

We did land on the moon using tax money. How many people didn't get to go to college because of the taxes taken out of their income? How many of the spin-off benefits of the government financed work on the moon trips would have been created anyway by all the additional children of taxpayers who could have paid for college educations if they'd been able to use their earnings themselves instead of handing it over to the government to fund NASA?

It is hard to point to things that never came into existence because the taxpayers were unable to invest the money that was taken and used in a more visible, singular project. It's easy to point to the finished job and say it was worth the cost, when the only visible cost is a large dollar figure. Harder to determine is the cost in loss of other benefits to society caused by the deconstructed sum extracted from a large number of people.

Sometimes the only reason that a corporation or association of wealthy individuals could not accomplish the same result as the government is that the government stood in the way, with regulations, taxation, permissions, licenses, and other forms of obstruction. If a large project actually will benefit a great number of citizens, then it is likely those who benefit would be willing to pay a fair price for their share of the benefit without being forced to do so.

Without multiple layers of bureaucracy, the cost of making such a project come into being would usu-

ally be far less if undertaken for a profit motive than as a government showpiece.

The problem is that the government is only efficient in the sense that it can force people to pay even if they don't want the benefit, even if they will receive no benefit. It can get the project done, but not with economic efficiency.

A capitalist venture would need to be done in a manner that used the capital reasonably well. It would have to be efficient to succeed. A government project can continue to grow, spend, bloat itself with corruption or just plain ineptitude, as it has no particular limit on how much of the citizens' capital it can confiscate to use on the project.

No, a dictatorship is not the best form of government, from the viewpoint of the citizen (who becomes a subject). It can simplify life and take away responsibility. A slave may have a hard life, but it is simple: just obey. If a person believes that freedom has misled them, because they made poor choices, perhaps there is some appeal to not having to make more decisions.

Fortunately, the majority don't seem to agree with this perverted assessment of freedom. Wise people make their share of errors, learn from their mistakes, and either make better choices next time or at least realize that the freedom to succeed implies the freedom to fail.

I do not believe a person ever fails so long as they learn from their mistakes. Even someone who spends their entire life trying without achieving their expressed goal has spent a life reaching for success, and they are therefore a success at understanding what life is about.

They learned more about what does not work and why, than anyone who immediately achieved their goal without having any chance to learn those lessons. The failure would be not trying. Those who say they don't attempt something because they are concerned about failure have already failed. Game over.

Those who persevere will usually prevail. Nearly anything can be done better next time. When perfection is the goal, the game never ends, and you win every round just by having learned something new from it.

Ten Years Later

This was first written and published in 2002 as an e-Book, my first to be provided only in electronic format. It is now 2012. Looking over the information, I found very little has fundamentally changed. Actually, the main changes would be more emphasis on digital communication, a reduction in the power of compound interest to build wealth because interest rates have shriveled to almost nothing, and more depreciation of the dollar's purchasing power. This has more impact on building wealth than on producing income, and I will explain this in a later chapter.

For those in the bullet business, the troubling political scene has brought huge increases in sales as citizens stock up, driven by increasing prices and fear of potential restrictions, bans, and other abrogation of the Second Amendment. The firearms industry as a whole has benefitted greatly from public paranoia, which is what I hope it will turn out to be. Of course paranoia doesn't preclude real danger.

Today there is more emphasis on and benefit in the internet, the use of social media to spread your message, email instead of letters, and simply being more aware of new opportunities to reach your suppliers, new clients, stay in touch with old clients, and keep up with applicable technology in your field.

Digital images of excellent quality make it possible, at least, to cheaply promote your products more effectively. Color images sent on DVD's, or on your website, or even printed direct from files, have reduced the high cost of effective graphic advertising to amazingly low levels. The passing of time hasn't necessarily endowed more people with the artistic and

communication skills to use this technology well, but the opportunity to learn is far cheaper.

Press releases are still important, but they have shifted toward more digital images, videos, and emails. There is still an impact from the written word printed on paper. Even as it becomes more expensive to use mail, the feel of a good quality brochure or well-designed letter actually held in one's hands takes on additional novelty value. A writer who is flooded with email messages will find relief in actually opening and unfolding your slick brochure.

However, print promotion has to be done more carefully than in the past, simply because it does cost more to put those physical forms into the intended hands. The days of mass mailings for small businesses are over. It just costs too much to use a shotgun approach. But you can use a rifle.

More care and time used in selecting your mailing list is essential. I no longer purchase mailing lists as I did in the early days of my business. I tend to spend more time sorting through the existing client list and offering more specific items based on past purchases.

Time seems to be ever more precious to people now, so that graphics that tell the story quickly are more effective than written details. The trick is in expressing the necessary details quickly, using bold images that capture the reader's attention quickly, and hold it long enough to let the essence of what you are offering sink in. Referring to on-line videos or web pages rather than actually writing all the information in the brochure saves more space for such images.

Magazine advertising may be more costly and less effective than a well designed website, but used carefully, print advertising can interest potential clients in

your digital pages and tell them how to find the information they want. The cost of magazine printing and mailing has driven up advertising costs, so using smaller print ads to direct clients to web resources, and then using video and graphics and free downloads for the real “meat” of your advertising can be a good option.

Today, the market for bullet making equipment has grown quickly as the government has swung more toward the socialist end of the spectrum. On a graph that has anarchy at one end and absolute dictatorship on the other, with a constitutional limited democracy in the center, the world seems to have once again gravitated toward loss of individual freedom.

I just finished reading a very slanted article in Time magazine about “How Guns Won” (it was, in fact, the cover title). It focused on violence in America but grudgingly admitted that the market for the firearms industry was booming (yes, pun intended) and there was a whole page talking about how “bullets” were a hot market. It even had a cut-away of a rifle cartridge with some of the components identified in a rudimentary but essentially correct way. Bullets and ammunition were confused a bit in the discourse, but the idea was clear enough.

Firearms ownership by citizens is never supported by those who wish to impose their will on the rest of us. The obvious threat to shooters has led to a huge increase in the sales of firearms, ammunition, and equipment to produce bullets, as well as the bullets themselves.

The “well-regulated militia being necessary to the security of a free state” portion of the Second Amendment always struck me as possibly having

another implication than the one usually expressed. Normally, the discussion centers on the citizen soldier, the need not to rely only on a professional or standing army for defense of the nation, but to count on the citizens themselves to provide either back up or to be available for rapid incorporation into a “well-regulated” guard or auxillary military.

However, the other implication is that since a nation needs a controlled or regulated militia for its security, this same militia becomes a potential threat to freedom. It can be turned against the citizens who are not part of the “well-regulated” segment. Who is to say that the leadership providing that regulation might not try to stage oppression to further some political goal, or force compliance with an unconstitutional rule?

In other words, perhaps another good reason that the right of citizens to keep and bear arms shouldn't be infringed is to allow a last-ditch self-protection against the misuse of the militia. Maybe this guard or militia is made of citizens, but it could be (and is today, if you mean the National Guard and other auxillary forces) a limited number of the total citizens.

It is regulated by professional military officers, not by random citizens who charismatically leap to the front lines and inspire their fellows. The militia does not operate independently of the government. It might be hard for the citizen-soldiers in the active militia to know whether they were being told the truth when ordered to act against other citizens.

The armed militia might be misled into believing that they were fighting a terrorist group, or a drug cartel's minions. The two threat areas of terrorism and illegal drug traffic provide convenient excuses to expand military power into the realm of traditional civilian law enforcement. In fact, the militia might be

directed to destroy political rivals, attack a conservative opposition party and facilitate a step by step takeover by a clever tyrant. (This is the stuff of thriller novels, which is why even if it were happening, most people would be lulled into thinking it couldn't.)

Therefore, isn't it at least possible to consider that in addition to providing a ready defense that can be enlisted quickly and lead by professional soldiers against a foreign threat, another purpose of a general armed population is to act as a deterrent to such a misuse of the "well-regulated militia", which is necessary "to the security of a free state" but carries some risk of unwitting subversion?

This is only to point out that if the need for a citizen-militia is not the same as it might have been in the late 1700s, especially considering that a large part of the population may not be familiar enough with the use of firearms to be effective for "the security of a free state", that the argument against citizens owning firearms is not thereby settled.

Even a reasonable number of moderately skilled shooters, among the normal law-abiding citizens, would serve as a strong deterrent to using the militia against other citizens. The actual capability of ordinary citizens to resist organized military force might not be great enough by itself to prevail, in the short run, but it would be hard to maintain a fiction that so many citizens were all drug dealers or terrorists.

If they were unarmed, those most likely to resist could be quickly crushed, and the others would have little choice of action. It would be easier to control what was published and broadcast about the action, and one more step toward total loss of freedom would be taken.

Of course, all this is indeed the stuff of novels, but a person who doesn't at least consider the possibilities as an exercise in mental gymnastics might awaken one morning to find it actually happened, and he might have voted inadvertently for the steps that allowed it.

Ten years ago, this wouldn't have crossed my mind. Now, in the light of what has already happened to our country, it doesn't seem quite so remote a possibility. But I remain a reasoned optimist: things usually do turn out better than you fear, if somewhat worse than you hope.

Income versus Wealth

Let's move from the grand political and philosophical landscape to the close and personal realm. The purpose of the book is to help you turn your ideas into income.

A major part of doing that is preparing yourself to accept making a profit as a desirable and moral thing, that profit is the engine of invention and advancement, and that you have the right and even the obligation to use your abilities to provide the world with the best of your ideas and to accept what the world wishes to trade for them without guilt.

I have to assume that after reading the arguments against altruism, you don't feel guilty about being paid to help others get something they want. Obviously they want it, or they would not pay you. And if they didn't pay you, most likely you couldn't afford to keep providing what people want.

So, how do you put the income you have produced to good use?

Do you spend it on new and better toys? Do you lavish it on your family, friends, and yourself? Do you give it away to worthy causes?

Not yet.

This book has been about turning ideas into income. Now we need to consider turning income into wealth.

If you want to turn income into wealth, you need to understand the difference between the two, and then you can begin building toward long term security, so that you can enjoy it, share it, and support the ideas, people and causes in which you believe in a meaningful long term manner.

Income is the flow of cash received from the sale of your services or products. Profit is what you have left of that income when you have paid for the expenses. But wealth is the accumulated value in what you own, what you purchased with your profits less the amounts you may owe to others.

Another word for wealth might be your “net worth”, which is not meant as a moral judgement but simply as a financial term.

You can be a fine upstanding person and still have a negative net worth, or you can have a high net worth on the financial balance sheets and yet be a morally worthless example of a person. Or, perhaps the value of moral worthlessness is showing others what to avoid, so that there is worth even in being worthless?

I recommend you achieve a high net worth on both the financial and moral books.

When you have a reasonable level of wealth, you can buy expensive toys, share a better lifestyle with family and friends, and contribute to charities without destroying your own comfortable financial situation. The reason you can continue to do these things, all in moderation proportional to your wealth, is that you will have built a self-sustaining flow of income by this point.

You will not be in danger of spending your income and not being able to replace it, as you would if you immediately began “living large” as soon as your ideas began generating profit.

Income from running your business is temporary. It continues while you work, or while your employees work and you provide the venue for the revenue, but stops as soon as the business comes to a halt. You need a plan to spend a reasonable minimum now, as needed for an acceptable minimal comfort level, which leaves a large portion for developing a self-sustaining means of accumulating wealth.

My observation is that the average fellow doesn't set his minimum comfort level low enough. For some folks, driving a car more than five years old is unthinkable. I seldom drove a car newer than ten years old and put the difference into things that grew in value.

The one exception was for business vehicles. In business there is a reason for image other than ego. And when I was growing businesses, I found it much easier to get a car loan than a business loan of the same amount and duration. So, for a few years, I owned a moderately expensive sports car that had a little less annual depreciation than the average car, and used it over and over to get a quick bank loan at good rates which I put into machinery, new books or other inventory.

The bank wouldn't know what to do with those things if they had to "repossess" them, which is no problem at all with a popular, high market value car. So they made easy, low interest auto loans without so much as an eyeblink. Auto loans were well within their comfort zone; financing 5,000 copies of a self-published book was not.

I promptly turned the money around, paid it back early, and benefitted from the ability to get good deals on supplies, stock up on inventory, or buy a machine that could start making money for me immediately. It

also built a good relationship with the bankers and allowed me to make larger deals more easily later.

That was both fun and useful. But as soon as I had saved and invested enough to no longer need to borrow for growth, I sold the car, and put a much smaller part of that money into practical transportation.

A ten year old hatchback or van in good condition got me to work just as quickly as the sports coupe. The expensive car was a temporary strategy with an side benefit for a young man who liked to pretend his goals had already been reached, but there were better and more profitable ways to finance continued growth past a certain point in the process.

When I was a younger fellow, compound interest on ordinary savings was high enough to offer a simple method for automatic growth of wealth. I worked two full time jobs, one in the day and one at night, lived simply and economically, put off buying expensive toys, and concentrated on doing the best work I could to advance myself as rapidly as possible.

For a while, I lived in a two-room apartment that shared a bathroom down the hall, hardly what I'd even consider for a road trip nowadays, but it was a conscious choice that let me save enough to buy a nice double wide mobile home within a couple of years. Then I sold the mobile home, bought an International Harvester pickup truck, moved out West, rented for a while, and eventually bought property near the coast for home and five lots on the waterfront for my business.

Still I lived at a constantly increasing but fairly minimalist level of comfort, saving the same money my neighbors were spending every week on the joys

of toys, and taking pleasure from the work I enjoyed doing, building my businesses.

This didn't have to continue as a life-long choice, but only long enough to build a small cash surplus that could take me to the next level.

For example, I bought five waterfront lots at favorable terms from a private owner, paid it off quickly, and developed a successful model for electronics sales and services in the higher margin commercial, public safety, marine, and avionics fields. This business did a number of things that were considered novel at the time such as using a rented jet helicopter to erect a 300-foot com tower where I rented space for antennas to businesses and government agencies, and used radio pocket pagers to form a volunteer firefighter zoned calling system, which I sold to fire departments.

Risks were taken because I could by then afford to start over if they didn't pay off, and I had put off marriage and family so I could devote nearly all my time to making fairly high risks pay. The level of risk has to be adjusted to one's circumstances.

Far later, I learned that marriage and family don't necessarily slow down the process of wealth-building, and in fact may accelerate it by providing more incentive, help making better decisions, and just generally having more support than you do alone.

Sharing time with family is a hard adjustment for a person who isn't used to it, but once properly adjusted, the benefits of a better attitude, with a bit of relaxation, the ability to step away from a problem and come back refreshed, and sympathetic ears, devil's advocates, and ideas you might never have come up with on your own tip the balance far in favor of the adjustment.

However, I was fortunate to have learned early in life that I didn't need all the latest and greatest cars, cameras, stereos and other possessions to be happy, but I could choose something that I really wanted, set aside a little at a time until I had the purchase price, and then buy it.

This taught me several things. First, it taught me that sometimes — often, in fact — the object of my desire would lose much of its appeal by the time I had saved enough to buy it. Often by that time, my interest would have changed, or I would have thought it out better and decided something else would be more fun or useful.

If I had put it on my card or taken the funds out of my savings, I would not have realized how temporary my craving was until I'd wasted the money.

Second, it taught me that setting aside a budgeted amount, a little at a time, created a delicious anticipation that was nearly as enjoyable as actually acquiring the object. If I still felt the same way about it by the time I'd accumulated the price in this slow, purposeful manner, then I had double the pleasure in owning it.

Not only had I enjoyed thinking about the eventual acquisition, but the delay built up the pleasure. You could say saving and planning was the foreplay for the purchase climax, if you were so inclined (some-one will, so I might as well say it first).

I knew it wasn't money which I was taking away from my long term wealth planning. It was a small, special amount set aside for this purchase over time, but totally under my control right up until I spent it for that special purchase. I could change my mind any time, had the money for emergencies, and even earned pretty good interest on it in the past.

Third, this very process of accumulating a small amount over time taught me some discipline in controlling my desire for things. I watched so many others spend everything they had before they even had it, using credit cards and loans, and thus squandering any chance of future wealth. Everything was put into enjoying the moment, and nothing was left for building wealth.

Fourth, watching how quickly the new boats, cars, recreational vehicles, high end stereos and other symbols of “success” (meaning, having a disposable income — not the definition of success I will propose later) depreciate both in real financial terms and in the perceived value to their possessors, made me consider more carefully what sort of purchases represented expenses, and what sort represented investments.

If you develop the discipline to carefully choose and then plan to pay cash for things you know will be worth virtually nothing within a short time, such as cars, electronics and other toys, you can save your credit for things that will grow in value over time.

Real estate is a very good example. Quality collectables about which you know quite a bit are another. This is an easy trap for justifying things you want, even if they really have little future appreciation potential. Be careful not to trick yourself into believing the “collectible” that you crave is an investment when it is really just an expense.

I have to preface this by saying that if you can pay cash, and stay out of debt in the acquisition of something you are certain that you need or want, then

do so. I am not advocating going into debt. I do not think you can become wealthy by owing money.

Under a few circumstances, you can increase your net worth by using credit in situations where the time frame would be too great if you were to save the money to pay cash. Credit is in many ways like fire. Properly controlled and sparingly used, it can provide great benefit. But let it get out of control and it will consume you. If you can't handle fire, eat fruit and get someone else to cook for you!

The problem I have observed is that people will sometimes decide any time frame short of right now is too great, and credit is the only tool they have in their financial toolbox. That's wrong. Credit is a sort of specialty tool that you only pull out when the others won't do the job as well.

Using credit to buy a car, food, your house, new clothes, and everything else you want that can't be bought for the change in your pocket is like using a sledge hammer when you really need a screwdriver: either one will take the hinges off the door. The problem comes when you want to put them back on.

Some respected financial advisors make a good living by selling the idea that being debt free should be your goal. I agree, to a large extent. If there is a chance that the debt could not be repaid without damage or destruction to your savings and other assets, which is after all the basis of your financial wealth, then figure out another way or don't do it.

You can take those risks if you have little or nothing to lose. And you can do things that used to be high risk but are not if you don't mind the cost should it be necessary to pay it. But credit with little or no risk can be used while the cash that could have bought that asset is put to work doing other jobs for you.

What do I mean? Well, suppose you find a nice rental that was repossessed or in foreclosure, you check it out, and find that it is well below market value provided you put some work into it. You assess the cost, decide you could buy it, but before you write the check, you remember another good deal on raw material or inventory for your business. It is for material you will have to buy anyway, and which you know you have sold easily in the past, and have no reason not to believe will continue to sell in the reasonable future.

If you buy the material, you have to get more now than you would usually put in stock. But there's no question it will move and is durable, so it won't become obsolete or spoil if for some reason it takes longer to sell than you expect. And selling just half of it will pay for the rest, giving you your investment back.

The normal cost of a smaller lot of the same material costs you twice as much, so by the time you have bought and sold the same quantity at your normal cost, you will only get half your investment back. Normally you'd just buy the bigger lot for the lower price and smile, because it would make you twice the money when it finally all sold.

But doing that would mean you could NOT buy the great property, because you don't have enough saved to get both.

The key to this decision is the degree of certainty that the material will sell for the price at which you've always sold it, and that the real estate will in fact be worth the asking price long after the material has sold. If so, it means you can borrow to get the real estate, use the cash to get the material, and pay the loan off from either the sale of the material or service the loan from the income of the rental property.

Assuming values remain within your estimates, the deal is safe. The debt can be paid not just from the purchase itself but from the use of the money the credit made available at the right time.

If there was some question about how long the rental would be empty and without income to pay the loan, or whether changing markets might make the material you purchase fail to sell before you needed the investment to cover your real estate, then the deal isn't safe. You might not want to buy either one!

Yet, people did something similar. They bought property that was appreciating, expecting to sell it later before a balloon payment made it impossible for them to service their loan. Or they took out a loan to refinance their existing home and spent it on consumable items, or those which depreciate rather than generate income, expecting that the financial bullet only rises, and has no trajectory, no force of gravity that eventually brings it back to earth.

This was right after seeing the internet "productless" store idea bloom into paper companies that went up and up in perceived value, until someone said, "Do they produce any goods and services I'd actually want?". Turns out they only produced the chance to buy stock, sell the stock while others thought it had value, and profit thereby, and of course when it was obvious the Emperor had no clothes, no one wanted to cheer and admire them.

You might think someone would draw a parallel linking the concepts of things that go up forever in company stocks and in housing values. Of course, kindly liberals did wish for everyone to have a nice house, whether or not they could afford it. And they

did “persuade” financial institutions to make guaranteed loans to those people.

When it was obvious that taxes would guarantee the loans, what’s a banker to do? Advocate buying four or five properties and selling them just before the big balloon payment comes due? Yeah, that’s how to build wealth: lots of leverage (don’t call it debt, for heaven’s sake!). People who should have known better fell for it.

My wife and I sat down with a young bank officer once regarding something we were checking out, and were given an enthusiastic sales pitch for buying houses on margin and “flipping” them before the no-interest principal-only portion of the creative loan turned into a huge balloon payment. This was during the time when we are looking at rapidly rising costs of housing, and had convinced ourselves it was not the right time to buy more real estate.

The young fellow said he had five homes, himself, with sweet financing for the first five years and then a massive shift in terms, but he had already sold other homes after only a year or two of quick appreciation, turned a tidy profit, and invested that in these new deals. Kay and I looked at each other with raised eyebrows, and even at that moment thought this guy was doomed financially, if he was telling us the truth.

It would take exceptionally good luck and timing to get out of all those houses while the market was in a rapidly expanding bubble. How does he know that he’ll be able to turn them before the loan terms change? Well, he didn’t. A year and a half later, the bottom fell out of the housing market. When we went into that bank again, he wasn’t there. My guess is he filed for bankruptcy protection.

That doesn't condemn bankers, home buyers, or even necessarily government agencies with a sincere if misguided wish to have every American owning their own home. It just says read the fine print, consider the worst case scenario in the world of reasonable probabilities, and make up your own mind instead of trading it in for someone else's.

My wife and I got an accidental start in real estate investing. We had both purchased property before and done nicely with the appreciation, but appreciation was incidental to the use of that property as a home or a business, or as a lower cost way of providing college housing for our kids while they were in another city.

We bought an old house in the college town, rewired and fixed it up, and put money that would have been paid to the college into equity and interest payments through two different age groups of our own kids. Then we rented it to other college students, and eventually sold it for a reasonable profit years later.

Actual planned wealth building with real estate or investments (other than my own business or simple savings accounts) wasn't an overt strategy for either of us before we met, or even shortly thereafter.

We both had houses that had high equity. When we married, there was no need for both of them. But we kept them both, and rented one.

Eventually they were both paid off, and the residential rental became a self-sustaining source of income. Looking at the net income from the rental home convinced us that owning the right property, for the right price, and under the right terms, could be a significant way to build wealth.

Real estate that is purchased at the right price with the proper kind of financing will give you both income and automatic wealth accumulation if you can outwait downturns in the market. But of course it has to be the right property for the right price.

You make your money, essentially, when you buy. What that means is that you don't buy something that you have not checked out well enough to know that under almost any circumstances, you can at least get out of it with about the same total value that you'd have gained by keeping that money in the bank, or any reasonably safe investment.

The net rental income gives you a profit to put into other immediate needs or to accumulate in savings to invest in other property. The tax deductions can give you a little better net gain depending on your income and tax bracket.

The appreciation in the value of the property builds long term wealth. You can sell the property at a profit at some time in the future when property values are high. Buy when prices are down and everyone is grumbling about how much they lost buying real estate! Obviously they bought when everyone else did.

If I had understood more about renting homes in nicer areas sooner, I probably would have started owning real estate rental property at a much younger age. I recommend it highly, so long as one does not become caught up in leveraged purchases.

Only have debt you can pay if you must, and try not to have any debt beyond a fraction of your asset value. Delay the purchase, work two jobs, do whatever it takes to come up with at least 25% of any real estate purchase and don't borrow more than a frac-

tion of your net worth unless you are young, single, and don't mind starting over. Risk taking is fine so long as you can afford the potential loss.

But what about cars and toys? Isn't one of the reasons for doing all of this to be able to enjoy the fruits of your work?

Yes, indeed it is. The key is balance. You can eventually have something much nicer than you could afford now, if you teach yourself to be patient. Use the time to create more income. Use the income to build more wealth. You don't need to live like a miser to find reasonable ways to cut unnecessary expenses, and put the savings toward building a self-sustaining wealth building program. But you probably need to work much harder, smarter, and longer than anyone you know!

The biggest obstacle to becoming wealthy is in your own mind. It is seated in lack of patience.

If you are patient, you can have any one thing you want at a time. Trying to have anything and everything you want as soon as you want it means doom-ing your future to having a lot of rusting, broken, worn out junk instead of assets that continue to become more valuable and generate self-sustaining income.

A tool will not generate any income just because you bought it, but perhaps you can perform a useful service with it, for which you may be paid. I paid for a lawn mower when I was a kid, using it to mow other people's lawns, and also bought myself a motor scooter with the income from that activity. I used the motor scooter to deliver newspapers quicker, as well as having some fun with it.

A rental property, or a business, or an investment in other people's well managed businesses, or even

just an interest paying saving account, is not perhaps as much fun as a new boat. But you can still have fun with a smaller, used boat that you bought cheap and repaired, and put the difference into one of those wealth building tools. With patience, you will be able to afford a far nicer boat later on, without financing it.

In short, you must stop thinking as much about how to justify upgrading your digital camera or buying some other exciting new gizmo, on credit most likely, that will soon be obsolete when a better one entices your fancy. Put that mental effort to work thinking about a wealth building program.

This program might be growing your business and expanding it into more profitable areas. It might include investments in stock or in mutual funds, bonds or other savings vehicles with growth from interest, dividends, or appreciation.

Or, it might be investing time and effort rather than money. It might mean learning skills that will help you make the leap to a new level of income, so that eventually you will be able to pay off your debts, save a little, and begin investing and building your wealth.

Your program should include reading, observing your present working situation with new interest in how to step around it, or higher into its management. It might include learning new interview skills and studying some new field that has better opportunity. Or it might take the path of looking for things you could make and sell that would be of benefit in the work you know how to do now. Regardless, at some point you will need to move money you save into something that does not depreciate, but grows in value over time.

Do not buy things because you think they might go up in value, especially items that are very low value today. Buy them because you know that historically they have gone up, and because you are well acquainted with the market and know how to sell them when the time comes.

Gambling on a trendy fuzzy toy or a plastic candy dispenser is just a hobby that might have a little appreciation involved, but probably won't. It isn't an investment. It's a gamble. Don't invest in wishful thinking to justify what is really just a hobby expense.

Objects that are cheap and plentiful when first made are not likely to become great investments in your lifetime. If you expect to be around in 500 years, you have a chance that your new \$2 commemorative tea cup would be on a future version of the Antique Road Show, creating awe and wonder.

Or if you follow the trend of gun pricing and are realistic about the normal rate of growth in value, your boxed and unfired Colt, Ruger, or Smith is probably a fair way to protect against inflation. For most people it isn't going to be a great way, but just reasonable, not a waste of money, better than the same value of the cash in ten or fifteen years given historic rates of inflation and the current rates of interest.

The items you can barely afford now because they are rare and expensive beautiful works of art, such as fine engraved firearms (not those scratched over with laser etched scrollwork in mass production simulation of engraving), will undoubtedly be worth as much or more in future dollars as you paid in current ones.

The low end mass produced rifle that you bought at the department store might still be worth close to what you paid in equivalent future dollars, but it prob-

ably won't appreciate anywhere near as much as the high grade gun.

In short, get the best you can afford of anything bought for investment purposes and know the field as well as you possibly can. Otherwise, buy it as an expense item and have fun with it, and if there is any future value consider it a bonus.

My manufacturing company's shop foreman, John, is a very clever machinist and a self-described "motor-head", meaning he understands and enjoys working on gasoline powered engines, especially motorcycles. He can buy a motorcycle or an automobile or truck, work on it for a while in his spare time, and fix it up to sell for a nice profit. Yet he tells me that whenever he plays the stock market, whatever he buys is sure to drop the day after he writes the check!

For him, buying old vehicles and repairing them for resale is a fine way to make extra money. He knows what he's doing, understands what to buy and how to fix it, and knows how to sell it. I don't think I've ever made a dime selling a used vehicle. Usually it is just the opposite, and it's a great number of dimes.

You should use your "core competency" and not be enticed by tales of easy money in some field about which you know only enough to get into trouble. John knows vehicles. I know how to drive one, and my wife even has some doubt about that. So if I want to make money, I don't try to buy and sell vehicles, no matter how good a deal someone tells me I can get on that three-wheel Cord which was only driven by a little old lady on Sundays.

Should you enjoy an expensive new car, then, if that is your passion? Sure. If that is more important than investing in something that will provide for your

retirement and give you a comfortable income in your later years, by all means spend the money. Just don't complain when you don't have it and someone else does.

Every choice has consequences. Be aware of what you are giving up, and then decide if the future cost is worth the current pleasure. It might be to some, and not to others.

If the only reason you feel compelled to buy a new car every few years is that it makes you feel successful, think hard and consider what success means. To me, it means achieving your goals. It doesn't define those goals or require a specific level of achievement.

Whatever satisfies you and makes you feel that you've done your best is a valid goal. Achieve it and you are successful, no matter what car you drive or what others may think about your lifestyle. (Unless, of course, your goal is to be held in high esteem by folks who spend more than you do currently... could be the incentive you need to build wealth, so I wouldn't write it off as patently invalid.)

Maybe your goal is to live debt free. You can do that in a mansion or you can do it under a bridge. If you are satisfied, you are successful either way.

It's not likely most people would be satisfied living under a bridge, but that's not my call to make for someone else. Just driving by in my ten year old van, I'd assume they were not successful in life, but I could be equally misjudged by someone who passes me in his new Ferrari.

The problem with drive-by glances at other lifestyles is that the fellow driving the Ferrari might be headed to the bank to make a huge loan payment on it,

while I'm headed to the same bank to deposit a huge profit on the sale of a multiplex, which I will invest in other wealth-building assets rather than a depreciating one like an expensive car.

Maybe the fellow under the bridge is perfectly happy with his life, and is quite capable of doing as well as any of us, but he doesn't think it is worth the effort.

You are welcome to your judgement. Just be aware that you don't know the history of the life you are judging and could be wrong.

In the realm of wealth-building, there is a more tightly focused set of values, about which you can clearly judge based on how well it is working. The fellow living under the bridge may be perfectly happy, but his wealth building strategy is less than effective.

Here is another characteristic that may be worth developing if you want to turn ideas into income: reluctance to waste any material, work, or opportunity without first considering all the potential uses or applications it may have, other than the one for which it was intended. The buzz-word is "re-purposing".

The machine shop at my manufacturing business had been accumulating parts in dusty boxes and little piles here and there for decades. There were boxes of dies and punches that at one time were considered good products, but which were made obsolete by improvements, or which were out of tolerance or missing parts, or in some other way not up to standard for sale.

Yet, all these items represented a great deal of time and work, from machinists who were paid to make them in the past. The parts had been sitting around,

taking up space, for too long. One day, I saw that the benches looked much neater and we seemed to have more space. “Good,” I thought. “Someone took the initiative to clean things up a bit.”

Later, I was checking behind a storage building to see if there were any maintenance issues that needed attention, and I happened to see a metal drum filled with steel sitting outside. In it were the accumulated dies and punches, tossed out to be sold for scrap metal at some point.

A pang of regret or something like it crossed my mind: there must have been the equivalent of ten thousands of dollars worth of labor invested in that drum of scrap metal, and I began quickly running through all the possible ways in which those parts might be salvaged, sold to experimenters, turned into other useful parts, and so forth. It was a reflex. I do that with virtually everything that doesn't appear to be utilized to its full potential.

Waste of available assets is like a thorn in my finger. It bothers me so much I just have to do something about it. But in this case I forced myself not to. I want my employees to take initiative and the best thing they could see to do with all this “stuff” was to throw it away, and use the space for on-going work.

Those old dies and punches had been sitting around for years. With months of backlogged orders to finish, we didn't have time to sort through and try to salvage some benefit from all those old parts. Ten years earlier, I'd have sorted them out and made them useful for something, and then showed my employees how it was done and tried to teach them to do it next time. Today it wasn't worth the trouble.

But here's the point: many of the things other people throw out or just let sit idle or replace with

something newer could be the means of getting by with less outgo, higher profit, and boot-strapping a businesses to secure, profitable levels. That is exactly what I did for many years and why I was able to get along with less income, weather hard times, and eventually prevail against the odds.

Finding good uses for things that others consider useless, re-purposing things that logically can be put to other uses and thus saving money by not having to purchase whatever would have been used instead, may also characteristics of the miser and horder.

I have known people who saved every scrap of flotsom and jetsom that crossed their path, to the point where I once helped an employee unload a semi-trailer completely full of such items as old coffee cans, empty 35mm bulk film tins, three of the four legs of an old table minus the table, and so forth until it filled his entire house and garage. He simply could not part with anything, and knew it was a problem.

I don't recommend carrying things that far! But if a person can spend an evening watching television, he can more profitably spend a half hour of that time just pondering what useful things might be done with a stack of parts or supplies that no longer have any particular purpose in the business. Sometimes there really is nothing, but you can think of a way to sell them for more than scrap, and certainly to avoid simply throwing them away.

Often, though, I've come up with products that could be made from items or materials that we'd bought for a different job, and the job was over or the original product changed so it no longer required that part. Here was a box of them, perfectly good, but perfectly useless unless we could imagine a new use.

That exercise of imagination is what makes profits possible from what would otherwise go to waste. Sometimes the half hour of concentrated mental searching comes up with nothing. But it still is a valuable experience, as it stretches the imagination to think of things perhaps no one else had. Maybe they were not worth doing, but it only takes one great inspiration to make up for hundreds of those free mental inquiries.

Many of the products I've had good success in selling over the years came about by imagining "what else": what else could a person do with this? Renaming something and using it in a different way can make it a different product, in a new market. Once I had a surplus of spring steel, of too large a diameter to be of much use in my normal business, but by imagining a spring steel cleaning rod, I was able to use it to make a nice sideline business (which sold to another party as a "going concern" a few years later).

Thinking "outside the box" usually means trying to imagine something that isn't the standard or usual means of utilizing something. If you can save money that others would spend, either by re-purposing something that was otherwise going to be thrown out, or by thinking of a way to sell, use, or modify something you already have that you don't need for its intended purpose, then you have turned an idea into income.

If you get into the habit of thinking about "what else" when you see something that isn't serving its original purpose, or even things that do well at their intended function but might possibly have other functions, then you are exercising a powerful tool for growing your business potential.

Along this same line is the ability to use the same component part in more than one product, so that by

simple or slight redesign you can avoid making two separate parts, and thus save money and time by purchasing or making more of the same item at once. If the axle for some rotating part is just about the right size to make a knock-out rod for some other part, why not adjust the diameters or lengths or material slightly so that one part can be stocked and used in both applications? So long as quality can be maintained, it makes sense to have fewer parts to make and stock.

The attitude should never reach the level of hoarding, where every bit of junk is seen as having some future use. As with everything else, the art is in the balance. Knowing where on the scale these skills turn into obsessions and become counter-productive may be difficult for some. Dismissing any tendency to think about the issue, however, means missing great opportunities to leverage your operating capital and achieve more than another person might with the same assets.

Along the lines of thinking up new uses for existing products is the careful protection of your sources. If you found, for example, a common and inexpensive corrosion inhibitor and tracked down the main active component to a wholesale source, and discovered that you could repackage this material and sell it as a very effective bullet lubricant, it would be rather stupid to let everyone know what it was and where you bought it.

After all, they didn't have your insight in making the connection, or your diligence in tracking down the source where you could buy it cheaply, or your determination in getting little bottles, printing up labels, or in your testing and evaluation to make sure it worked with no harmful side effects. So why would you make your sources and methods known to every potential

competitor, or to clients who would then go around you, and buy from your supplier without paying you for your insight and efforts?

At this point, you need to protect your sources, just like the journalist or the spymaster. That information is a valuable trade secret at this point. Don't give it away! Make sure your employees understand that they shouldn't give it away, either. You'll notice that in this chapter the only examples I've given are about products I no longer make. Now you know why.

I've had employees who just didn't get this. They thought that it was sneaky or unethical not to disclose sources to clients, if asked directly. My answer is not to lie about it, but to simply say it is proprietary information and we don't give it out. Or to speak in generic terms only. People ask exactly what kind of steel we use to make a certain tool. I tell them, truthfully, it is a high carbide content tool steel. I don't give them the ANSI number or tell them where to buy it. Let them figure it out if they really want to know.

Sometimes, if I don't think it matters, then I can be more specific. Often the real competitive edge isn't the material but the skills developed by the diemakers, and that can't be stolen or gotten around cheaply. Sometimes it might be a benefit if the client found out how much work was involved. Our price for making it would seem even better after he'd spent days attempting the same job without success.

Or, if someone asks me where we get a particular supply or product that we don't make ourselves, I will probably tell them our sources took years to find and cost money to develop, and the only way they will get

the information is if they buy my company, thank you very much!

Telling your clients about your sources is like letting them use your machinery free, paying for the lights and power while they enjoy running their own business out of your shop. Why would you do that?

Finally, a word about jealousy: sometimes a person who doesn't have the ambition or courage to apply restrictions on his desires now, so he can use the income to build wealth and enjoy a nice lifestyle later, will look upon those who have accomplished more with rancor. They feel anyone who has more must have cheated, stolen, had some unfair advantage, rather than simply having worked harder, smarter, longer, or been more adept.

This leads to support for the "leveling" effect of greater government control, and the "Robin Hood" effect of taxing the "rich" (never mind that the definition of rich continually expands to include everyone). It's about jealousy, not fairness.

But tell me: if you are the "rich" at the moment, because you have been more successful, how does that hurt me? Why would I be harmed by your success? The jealousy I might feel is illogical. Your success means you have money to spend for goods and services. I probably make a living providing goods or services. Odds are far better that I'll benefit from your success than otherwise.

I should be cheering you on. Your business might hire me, or the businesses where you spend your money might have new job openings now. Do you waste money on parties and mansions? Or should I say, do you pay lots of people for providing them? Your wealth benefits all those folk, among whom might be...me! What's the problem? I'm happy for you!

Employment

Now let me take another branch on my meandering path through the halls of wealth-building ideas. Most of us start our idea-to-income road as employees. Most who achieve some degree of this conversion will probably find it works better to have other people share or take over the load so you can come up with more ideas, so they eventually become employers.

So, it makes sense to talk about getting employed in the first place, and about the people you will someday want to employ.

The first impression will usually determine who is hired. Trite, but usually a fact.

I've had slightly confrontational discussions with people who did not believe that tongue studs, massive tattoos, purple hair dye, and other superficial signs of non-conformity were any reason to disqualify a potential employee from consideration, based on the fact that the potential employer couldn't possibly know how well that person might perform, what they were thinking, why they wanted to be "different", and that anyone has a right to look however they wish.

I agree. But here's the problem: two people walk into an interview. (This is not a bar joke.) Both have equal skills and similar resumes. The employer has already decided the job will go to one of them. He could toss a coin at that point without hesitation, since both are so closely matched in potential.

But now, he sees them for the first time. One is dressed in a style that would be appropriate to any of

his other employees or customers, and would not offend, shock, or even raise an eyebrow. It's an average, clean, conformal appearance. The potential employer usually dresses in a similar manner at work.

The other one has the latest "look at me" fashion, be it the torn and faded blue jeans or goth-like black nails, pink hair with purple stripes, full body tattoos, tongue stud, nose rings, or whatever else just screams out, at least to the average, fairly conservative observer, that this person is aching for someone notice them, pay attention to them, give them a sense of being more unusual than the next person. Noteworthy, for the price of decoration, in other words.

This instant impression might not be true. The self-styled avant-garde fashionista could actually enjoy that particular look, without meaning to be an exhibitionary non-conformist. It could mean nothing. They could be the best person the employer ever hired if given a chance. We already stipulated that their resume was perfectly acceptable.

But since the decision already was balanced on a razor edge, why take the chance? The odds are that a person who outfits themselves in a way that is counter to the median level of the particular culture through which they move is in fact crying out for attention, and does in fact have a need to act out an adolescent wish to shock and awe the "others". A manager is paid to exercise judgement about people. In the absence of direct experience with an individual, it is necessary to make judgements based on typical behavior. You can hardly expect the manager who has limited time and a heavy workload to ignore what is most likely to be the case, based on past experience, even if it isn't an absolute certainty.

Looking at it another way: if the client base of that employer is primarily interested in buying tongue studs and nose rings, then why shouldn't this person be a better choice than one with equal resume but closer to normal appearance?

And, of course, the opposite...

As a life-long non-conformist myself, in many ways and venues, it does gall me slightly to admit it, but even I would tip the balance in favor of the more conventional looking employee, all else being equal. I have nothing against non-conformists, and feel that in the right contexts, that is an essential part of developing new ideas and making income from them.

Thinking "outside the box" is almost the definition of new ideas. But you first have to learn what's in the box, where the borders exist, and when it is useful to color inside the lines. I can better appreciate abstract art when I know the artist can, if he so desired, produce just as life-like a rendering as any of the old masters.

Not every single thing a person does needs to be non-conformist or different for the sake of difference. Innovation has a purpose other than shock and awe, usually.

When applying for a job, the main thing the employer usually wants is to further his own goals for his business. If he needs new ideas, he wants someone with a mind for that. If he needs to keep the floor swept and the coffee pot filled, he needs someone who will cheerfully accomplish that and may even be capable of answering the phone and not frightening customers away.

Usually, he wants someone who is personable, neat, clean, polite, and seems to be willing to do the job advertised, with some potential perhaps for doing more. He might not mind tattoos, tongue rings and symbolic skulls, but they probably won't register as a major positive benefit.

So, if you are seeking a new job, why take the risk? Why spike your own cannon with such things if they really are not that important to you? If they are, compare the reason they are important to the jobs you might not get, unfairly or not, due to a negative first impression.

As an employer, I know that I just want the person to be honest and reliable, have the skills I need or be capable of picking them up fairly fast, and get along with the other employees and customers. I don't want to be flattered or hear about how they've always dreamed of working for me when I know they have almost no clue what the business even does, yet. Once they are hired, I want their presence to give me more time to get my work done, not less. There's a difference between asking necessary questions, sharing important information, and making a time-wasting nuisance of yourself!

This person wants to earn some income. They need to let me know the minimum that would be enough to make it worth while to be here, so I could see how they are going to work out. I also need to get some idea of how much would be needed for them to be reasonably satisfied over the long haul. That's not to say more wouldn't be offered later. I want to get an idea of whether they are even in the ball park for what the business could reasonably offer. Otherwise they are wasting time in which they could be finding a better job elsewhere!

It's just straight forward knowledge exchange, not negotiation or game playing. Will this person be happy with the pay I can afford to offer now, and for how long could I expect them to stay happy at some affordable level? It is not worth hiring this person if they are willing to say anything to get a job, and really can't work for the amount I can afford to pay.

I want to be able to try this person out for a while, at the lowest price he or she is comfortable taking, and then if he or she does a good job, it will be worth offering more to keep them. Otherwise, it wasn't quite so expensive to give them a shot and find out they were not suitable. It's not very deep or complex.

The potential employee wants some job security and a pleasant environment in which to work. And to be treated with respect and fairness. That's pretty much a given. The employer needs to say if there is just a temporary or a potentially longer term position, and what would need done in order to justify the cost.

I don't want to build up hopes for a long term future until I know more about this person, especially how they help the business. Maybe this job is only temporary. But if they are good enough, they might be worth more doing something else for the business later and that could lead to a long term career.

Time will tell. The interview and resume and first impressions start the process. They don't determine the outcome.

It is quite amazing how a person who virtually offered to work around the clock for nothing, answer the phone, clean the toilets, and wash the windows in order to be hired, will start ruling out things he "wasn't hired to do" and showing up late within a month of being hired.

I don't expect a subservient syncophant with a "kick me" attitude. I don't want to hire one, because they are dishonest from the start if they act that way. No one wants to be treated like a slave, and it raises a red flag when someone pretends they do. I want a person who is honest, who will do the job as well as he can, and who expects that if he helps the business make money over time he will be appropriately rewarded (and if not, I lose him to someone who will reward him better).

The person I want to hire is pleasant to deal with and be around, honest about his abilities and lack of them, and smart enough to learn what needs to be done and then to do it. A person who is new to the business needs to do things the way their supervisor asks, at first, and find out by observation and by asking whether there are reasons other than just not having heard of a better technique.

The new hire needs to listen, watch, and learn, and only then begin to offer suggestions for improvement in "how things are done". Too often it is only irritating for the newest employee to immediately begin providing advice to people who have been doing things a certain way for years. Eventually good ideas will be welcome (if not, the business is going to be in trouble), but not the first words spoken after clocking in for the first time! By giving it a little time, the difference between good new ideas and changes that will cause problems with other parts of the operation become evident.

For instance, it might indeed be faster to change the way a certain part is built and might save a dime on production time for every item built, but it might also cause a costly requirement to change advertising and packaging if the size, appearance, or function is

modified. The actual benefit needs to be great enough to outweigh these expenses, which are not often evident from the worker's position in front of the machine making that part, just as some cosmetic change for marketing purposes might radically affect the cost of machining the part a different way. Product changes should be passed along the line for comment, in both directions, to see how they affect all aspects of the operation.

Even so, the suggestion would be welcome if just to present an opportunity to show how changes affect the over-all picture, and also to demonstrate that improvement suggestions are welcome even if they may not be practical every time. No one should be discouraged from throwing out ideas to consider, but first, they need to know how and why things are done the way they are currently.

On the topic of compensation, it is an irritation to continually explain to an employee they have not yet picked up enough of the particular skills or developed a high enough production level to justify a higher income, so an employer does not want to be hounded about it. If an employee has been here a long time and not received a reasonable increase in income, then it is good to say something about it. Employers are usually taking care of a lot of things at once and oversights happen. They shouldn't but it's not usually on purpose.

A person is paid based on what sort of bottom line income they help produce for the business. That's what provides their pay, not the kindness or stinginess of the boss. If the business does well and their work is responsible for a good deal of it, then the boss has to provide reasonable compensation or risk losing that

person and the benefit of his contribution to some other employer who will.

Most employers know that. Some ignore it at their own peril. The other problem is that a business might appear to be doing well but have periodic slow times for which some reserve has to be kept to weather the low sales periods and keep from having to lay people off. Or, the business may look as if it is producing a good profit, when in reality the overhead is consuming most of it.

For instance, health care insurance is exceedingly expensive for a small business employer to provide, but often the employee will not count that cost in his compensation nearly so much as he notices the net paycheck amount. Cash is clear to the employee: benefits are fuzzy, even if their expense is quite clear to the employer. Also, benefits are often potential in nature: like insurance, they have no immediate affect on lifestyle until something unusual happens.

The sum of payroll taxes, lost time from employees talking on their phones and doing personal business while “on the clock”, insurance and benefits that may not be kept in front of an employee’s mind when thinking about compensation all reduce the ability of a business to provide pay increases. The employer might want to offer more, but knows that might mean having to let someone go sooner or later.

Rather than try to enforce strict rules against time-robbing activities, which would foster resentment, an employer may just do the mental math and adjust planned compensation on the actual output of the employee versus the time spent not producing useful goods and services for the business.

Let me be quick to point out that when I say a person is “worth” so much, I mean it only in regard to

filling a specific need of the business. If I needed someone to wash the trucks and keep the gas tanks filled, and I could hire willing youngsters for minimum wage to do that with complete satisfaction, then that's what the job is worth. A bond trader who usually makes six figures but temporarily needs a job might apply in desperation. If he can wash trucks and fill gas tanks as well as the teenager does, he's worth what the teenager gets for that particular task.

I have no need for a bond trader. But if he or the teenager turns out to be a fantastic personal assistant, he's "worth" whatever I could pay to get a fantastic personal assistant on the current market, assuming of course I wanted one and could justify the cost. It's not a moral judgement. It's all about supply, demand, and the needs of the business.

For instance, if an employee normally would be "worth" \$20 an hour but typically spends a quarter of his time wandering around, talking to other employees about non-business issues, doing personal business and otherwise not producing anything that generates income for the business, then he is "worth" \$15 an hour, since on average he is providing 3/4 of an hour's effort for every hour on the clock.

If he's being paid \$20 per clock hour, then he is actually getting compensation of \$26.67 per work hour since his day is made up effectively of 45-minute hours actually working for the business. It might be enlightening to consider that, over time, the average minutes spent in other pursuits tend to be noticed and calculated in a general way, and compensation is adjusted accordingly. A person who wants a 25% raise needs to provide 25% more value to the business.

Ducking around the corner with a cell phone to the ear when the boss appears isn't too effective over

the long run. No reasonable employer makes those judgements on one or two observations only. It has to be a lot of them over a long period to mean anything. Anyone can appear to be “goofing off” once in a while, and it’s not a problem if it isn’t habitual. Getting the necessary work done is the bottom line, not precisely how many minutes an employee is “in the building”.

Likewise, one person might quickly move from one task to another, and nearly always be busy making, repairing, cleaning, organizing, or otherwise providing some useful service to the benefit of the operation. Another might seem to spend the bulk of their time wandering slowly from one point to another, peering at slowly progressing operations which are doing equally well unobserved, and always stretch fifteen minute breaks into a half hours and half hour lunch breaks into three-quarter hours or with spurts of exceptional effort, the occasional full hour.

How a person uses their time is their own business, but how they use time they are selling to a business is quite another. An employee is marketing time. An employer is their customer. When a customer has a choice of a good deal or a poor one, they will usually choose the good deal. It may take a while to determine which deals are the good ones, but eventually it becomes obvious. The employee who provides the best return on the investment is the good deal.

Compensation is always a multi-faceted issue for a small business. Bottom line is to get hired, do the best you can, and if you are not rewarded sufficiently, find employment elsewhere without burning any bridges. You never know when that old cheap-skate will hit the lottery and remember how great you were,

or just regret that he didn't offer you more when he had the chance!

No matter how bad he might have thought you were at the time, perhaps everyone else that came along afterward was worse! Maybe he longs for the good old days when all he had to worry about was getting 3/4 of an hour average efforts for an hour's pay! It's not always the memory of outstanding skill, hard work and loyalty that can cause a former employer to pine for the worker who moved on. Sometimes just being adequate is enough. (Of course, those other qualities don't hurt your odds of an old employer offering a better deal.)

Part of turning ideas into income is having the acquaintance of people to whom you can look for support services, contacts, assistance, maybe even a pool of talent you can use later to further your business or goals. The places you have worked most likely have given you close contact with folks who are also working, and you have seen how they do it, what they do, whether they are honest or not.

Working environments put you side by side with people who may talk about the job, the other people, the boss, the customers, and give you some feel for how they might be as your own employee, or as a supplier, or maybe even as a future customer. You meet people who might be useful or instrumental in some future enterprise. You already know more about them from observing (you *have* been observing, right?) than you would know about a stranger.

Because of this, you want to think carefully about what you say, how you act, and whether or not you might need the future good will of those people. The old "Johnny Paycheck" song, "*Take This Job and Shove*

It!” is rather poor advice for anyone except, perhaps, a malcontent who plans no further contact with humanity. When you leave, leave with a handshake and a smile if there’s any possible way to arrange it.

You never know when someone will remember you with that same smile, just when you need them most. Treating people as well as possible is not just kind, but it is in your own best interest.

Most things that are in your best interest in the long run do no harm or disservice to anyone else. In that sense, being “selfish” is actually a good thing! Ayn Rand’s book “The Virtue of Selfishness” redefines the term this way. It’s worth reading sometime. You don’t have to agree with all of it, but the principle of enlightened self interest is worth considering.

Written in Stone

Now, let's divert from employment and appearances to something more than skin deep. Your fundamental character is something over which others may believe you have no control, but I think in most reasonably well-adjusted people, character is self-adjustable. That is, a person who isn't too far removed from sanity can decide to be honest or to justify deceit, to stand up for what is right or to let it slide because it is too much trouble, to deal fairly or to cheat others when it appears likely not to be noticed.

Character can have a huge effect on your ability to earn income and convert it into wealth. Others will soon discover your true character, no matter how cleverly you think it is disguised, and act accordingly.

If you can learn to see yourself accurately, to separate what you would like to believe is your character from what you display to the world, it will be a big help in those discussions you have with yourself about what you want out of life, and what you are willing to do to achieve it.

I believe you can have any one thing that you are willing to set ahead of nearly everything else. If this is respect, or knowledge, or self-esteem, or if it is some physical possession, or an accomplishment, first define it and make sure it is really something you want badly enough to sacrifice nearly everything else to achieve or acquire.

If your character is properly adjusted, that does not include sacrificing your principles, morals, loyalty to family, and fidelity to your beliefs, but only the physical purchases and lifestyle levels you can postpone, reject or modify, the other goals and activities which

you might wish to pursue, and any distraction that might cause you to lose focus on your most important goal.

There are things you must not sacrifice, such as family or happiness or your moral values. But there are probably other things you could easily give up, at least for the time being, such as putting off that new car purchase, not having quite so many of the newest and most costly versions of your toys, giving up a few vacations or eating at home or not going to some expensive pleasure venues. (The problem, of course, is in having the mental toughness to actually do this.)

And then there are those things which cause you a lot of thought, such as deciding to accept a lower standard of living for a number of years in order to achieve a much higher standard later, by putting what you might spend today into a long term wealth building system, or putting in more time getting yourself in a solid financial position, working more than one job, or deciding which family activity is more important and which could be skipped if it conflicts with a particular opportunity to move ahead.

Regardless of what you decide, you will live a happier and more satisfactory life if you realize the trade offs and settle in your mind that they are equitable to you. and to your family.

Giving up a wealthy future to have a more ostentatious lifestyle today is a valid choice, so long as you are fully aware that when that future comes it is exactly what you decided to accept. If you fail to sign that mental contract with yourself, and try to continue with all the immediate gratification long after you have used up the means for sustaining it, you will not be a happy person.

Likewise, it is very important to settle with yourself just how much time and money you can allow yourself to spend on consumable pleasures now, to build the memories and experience life at a satisfactory level without later regret for either not doing enough, or for spending too much.

If you establish a budget on a metaphysical scale, as well as one for your finances, and stay within it you will not regret things you didn't do, or regret the expenses of the things you did. As with all mathematics, physics and life, balance is the key. The equation must be equal by definition. Otherwise it is unsolved, incomplete, and unsatisfactory.

At some point, your life will be summarized by a hyphen between two dates. That hyphen should be a joyful one, representing a happy face smile instead of just a straight line connecting beginning and end.

The greatest misfortune I know is for a person to spend their days unhappy, seething with anger, hatred, sadness, or anything but a fundamental zest for life. If I can pass along anything of value about being happy, it would make me happy to do so! Certain things worked for me and maybe they will be of some use to you...

Be kind, but honest. The combination can be difficult sometimes. When necessary to choose, favor kindness. Harmful truth is not a kindness. There is no obligation for a person to correct every delusion others hold, only those which will cause harm to themselves or others. In the long run, you will be happier keeping some truths to yourself, while maintaining a reputation for being trustworthy.

To prevail, persevere. You can succeed against the odds, if you apply skill and knowledge to change those odds. The most important thing a person can do to promote their ideas or their business is to be persistent. Yet, even in your persistence toward the goal, remain flexible in your methods.

The adage about not beating your head against a wall only means you should look for the door, not continue doing something that doesn't work or give up. Giving up seldom makes anyone as happy as the knowledge that they gave their best effort for as long as possible. Usually that works so play the odds.

When I sold my interests in the Teletron corporation, the communications firm that I'd founded decades ago, I undertook a number of small business ventures while looking for something appealing. A friend and I bought the equipment and supplies from a portrait studio whose owner was retiring, and I learned to take photographs and develop film and prints. (I built darkrooms in all my homes thereafter!)

Photography added another income stream: I did some advertising photography, some fashion photography for a regional clothing chain, wrote many articles for gun magazines, trucking magazines, electronics journals, and even had a cover photo on a small trucking journal called "Truck Tracks".

At one point, I was writing electronics articles for a gulf state fishing magazine and the publisher called to say his editor had gone to Brazil with an unspecified amount of advertising revenue to be with a woman who lived there, and would I please write the articles for the coming issue, as he was up against a deadline?

I'd sold and installed radar, depth finders, communication gear and navigation equipment on a lot of fishing boats as part of Teletron's services, and had a

fairly good idea about the field. I got the work done in time, even though some of it wandered outside my field of expertise and was laughable without any intent of humor! But the publisher paid me anyway and didn't complain. (It might have been even more interesting to write about the errant editor and his new life in Brazil, especially when the last of the purloined revenue was fully invested in South American jewelry.)

During that time I also invented little gizmos and built small businesses around them, involving simple electronic devices that performed rather basic functions and sold for small amounts. Once the device was selling well, I packaged the business and sold it to someone else, as described elsewhere in this book.

I also took on a number of writing assignments for publishers in the firearms field. One of these assignments led to the bullet swaging business, which I acquired from Ted Smith of the old Shooters Accessory Supply or "SAS". John Amber, then Editor-in-chief of the *Gun Digest* assigned me to write something about Ted Smith, who had been making bullet swage dies for several years, by himself, in North Bend, Oregon. I lived in North Bend, so I drove out to visit him.

A year before this, Ted had been cleaning dies with gasoline as a solvent, and one of the old wall-mounted space heaters in his big barn-like machine shop kicked on, sparked, and lit him up like a torch. He had a part-time helper who grabbed an old soda-acid fire extinguisher and put Ted out, but the combination of burns and sulphuric acid put him in and out of hospitals for pretty close to a year.

Ted didn't have a lot of money because he spent most of it buying machinery. He liked to do things for himself. He bought an offset printing press so he could print his own manual (which I still publish to this day,

the world's first manual of bullet swaging called, oddly enough, "The Bullet Swage Manual"). But he wasn't as skilled in marketing and sales as he was in "finding a need and filling it", which is how he defined invention.

Ted made the world's first powder trickler, but he didn't have legal protection for the idea and it was immediately stolen by just about every reloading tool mass producer. He built the original "Mity Mite" horizontal swage press, made a tool for picking up tennis balls without bending over, and a device for finding and hitting your "spot" when bowling. He had an active mind, always looking at the world around him and seeing ways to improve little things here and there. He just didn't have the patience and inclination for sales and marketing.

When I met him, he had just gotten out of the "burn ward" and was fairly well healed (but not well heeled). As luck had it, his face and arms were not badly burned, and he got around rather well. We were sitting in his living room, talking about his business, and he asked me to peek around the corner, just off the kitchen, where a screened office was located in a former breezeway between the house and the garage.

I did, and all I could see was a huge mound of letters. While he was recovering, his wife had no idea what to do with the mail, so she just tossed it on his desk. Eventually his desk was buried, and a huge white stack of mail filled his office, like the top of Mont Blanc. I opened a few letters for him. They contained stale-dated checks and orders: a mountain of checks and orders.

We talked a few more times, and eventually I proposed that since I was "between jobs", and didn't need any income as I had plenty coming in from my stock sale of Teletron, I could help Ted get financially back

on his feet if he'd teach me how to make bullet swage dies.

Over a few years, Ted taught me what he knew and I helped him with marketing and sales, and we got the business back on its feet. Then Ted decided he wanted to sell me the business, and I bought it. Mostly that consisted of a few boxes of dies, jackets, a pile of old press castings, and various odds and ends, and the right to make and sell the products he'd invented, with improvements that I added over time. Eventually nearly every one of his inventions was changed or replaced with advanced versions, the product line was simplified and standardized, and the business was off to a good start under the D.R. Corbin Manufacturing Co., later to become the Corbin Manufacturing & Supply, Inc. corporation.

I asked Ted at one point what he would do if he had a million dollars. He said, "I'd buy a Mercedes and get a driver."

"That's it?" I asked.

"Yes, I want someone to drive and I'd like a comfortable car to ride in. I've got plenty of machinery and things to make."

I thought that was a rather modest dream, but then again, Ted never seemed to have two dimes to rub together since he spent it all on various kinds of used machine tools.

(He also said, in a whimsical mood, that it was just as easy to love a rich woman as a poor one, but he was already married and didn't have a plan to put that notion into effect.)

As time went on, I found that the cost of shipping steel and other heavy supplies from the main highway serving Oregon cities in the North-South line, Interstate 5, to the coastal community of North Bend was

nearly double what it cost to just ship to a city located on the interstate. The roads were rather winding and long over the mountains to the coast. I was beginning to use a lot of heavy materials, special steel and metal castings.

I moved to Medford, worked out of my double car garage for a while, met my future wife and moved my machines to her larger garage, and finally built a new plant in White City (much later, in 1984, after out-growing the garages) and was so busy with all this that Ted and I lost contact for a while.

One day a Mercedes sedan drove up to my office in White City, and the driver got out and opened the rear door. An old gentleman with a cane got out and made his way to my door as I watched through the window. It was Ted Smith, of course.

“You must have made your million!” I said to him.

And so he had.

He was past 80 years old at the time, and had seen a need for re-inking the ribbons used by dot matrix printers, so he developed a simple electric clock-motor driven device that slowly wound the used ribbon around an ink-saturated felt roller, and applied fresh ink. After an hour or so, the ribbon was almost good as new and could be re-inked two or three more times for a few cents worth of ink, saving a ten or twelve dollar purchase every time the ribbon was re-used.

He found an old vacuum forming machine, bought it cheaply, and taught himself how to heat and form ABS plastic sheet into the base of these little devices. He researched printer inks and found a supplier for

drums of bulk ink at a good price. No one handed him a winning lottery ticket. He printed his own.

A company in Portland, Oregon, found out about his device, and contracted with him to supply them. After a few years, he'd sold well over a million dollars worth.

Ted hadn't known anything about computers before I'd introduced him to them, while he was teaching me about swaging dies. He observed, found the need, and filled it, as he'd done hundreds of times before. This time it paid off nicely.

Ted didn't live long after that last meeting, but his story is inspiring. He got everything he wanted in life, even the highly improbable Mercedes and driver. (It was a used vehicle, and the driver was only part-time, but let's not be captious.)

If someone arrives at such a goal after over 80 years of being relatively close to what some might call poverty—ignoring the scrap value of a huge barn full of old machinery!—then surely any of us can achieve more modest goals, sooner. What did it take? Persistence, and the ability to take advantage of what little bits of luck bobbed to the surface now and again.

Be fair but relentless in pursue of what is right, never allowing kindness to be confused with weakness. A quiet person does not necessarily cower in silence in the face of wrong. Perhaps he is simply attaching a silencer so as not to disturb the neighbors. Or more likely he is quietly planning something that will be vastly more effective than a loud immediate response.

Doing the right thing supports what you want your life to mean. It takes far more strength to act than it does to let a wrong go uncorrected. Ignoring obvious wrong directs you off course in the journey toward

having lived a good life, and a good life is important for happiness. Even so, be careful not to mistake retribution for justice. Revenge that does no prevention or restoration is a waste of time.

Be moral but tolerant, steadfast to your principles and unafraid of punishing evil. Then, be quick to forgive the person if not the act, without forgetting, lest the punishment prove insufficient. Never give evil a second chance. Knowing you will leave the world a little better place is a happy thought.

Be dedicated and dilligent, but joyful in each success. Take the time to celebrate achievement boldly for others, and more quietly for yourself. Achievement small or large is worth celebrating. The adage “stop to smell the roses” doesn’t mean putting on the brakes and letting your life coast with every success, but it does mean remembering to pause long enough to savor what you have done.

Be able to learn something new, enjoy something familiar, and laugh every day. Taking your goals and principles seriously provides a solid basis for enjoying a prevailing sense of humor. One can be serious while smiling. It is one of life’s better ironies.

Enjoy life’s irony. Life can be both intensely serious and marvelously funny at the same time. Pauper and mogul ultimately travel to the same destination, as do we all. The difference is in the accomodations. Given the choice, most people prefer a stateroom over steerage.

Turning your ideas into income, and your income into wealth, helps you make the journey in greater comfort, and gives you the option of improving comfort for others. If you are happy, you will want to help others be happy, too. “What is the meaning of life?” Good question. Good answer.

The End