FINANCE
THE BOTTOM LINE

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   on Earth

The Entrepreneurs' Organization Newsletter

The Entrepreneurs' Organization Newsletter
BOLDLY GO!

This is what we’ve done all our lives. It’s what allows us to grow and take risks. It inspires us to never give up, celebrating failures as well as successes. It’s an innate instinct born out of courage, creativity and eternal optimism.
COVER STORY

Get the Bank to Come to You

As a business owner, you need capital to take your company to the next level. Find out how to get the financing you need without having to beg.

SPECIAL FEATURE

Annual Review

Take a look at the 2005/2006 Annual Review of the Entrepreneurs’ Organization for information on membership growth, member satisfaction, the year ahead and more.

8 Improve Your Business… No Money Down
Sometimes wit and wisdom are all you need to increase profits in your company. Here are some tips to get started.

12 Accounting for Growth
Is your accounting software costing you money? Tap into the latest in accounting technology to find out.

14 Expand Your Wealth—Virtually
Consider a new way to expand your wealth through existing structures.

15 Raising Capital
There are tricks to raising capital for your business. Get them firsthand from EO Chicago University speaker Rich Russakoff.

18 The Most Liquid Market on Earth
Discover why the Forex market is rising in popularity and making profits for investors from around the globe.

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Mentorship can mean a high ROI for EO and WPO members in more ways than one.

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Latin American/Caribbean Conference
“Beyond Borders: Rompiendo Fronteras”
24-27 January 2007 / Bogota, Colombia
For more information, email events@eonetwork.org
A MESSAGE TO OUR MEMBERS

We’ve all heard it before, we’ve felt it before and we live it every-day: Cash is King!

It’s the fuel that feeds the thirsty machine, and it can make or break an organization. Though we’ll always share with you some great stories and information on how to keep your tank full, we also want to share how we’re keeping EO running through this Annual Review.

As a member of EO, you have a vested interest in how this US$8.5 million organization is run. Just as you keep the pulse of the finances in your own company, we want to provide you with access to the business of EO. It is, after all, your organization, so we want to function transparently to make sure you have the information you want and need. One example of this transparency is the Audited Financial Statement of the organization that is posted on EOnetwork. Another is the Annual Review.

The 2005/2006 Annual Review allows you to see where your dues go, what membership in EO looks like, whether members are satisfied and more. Though the books are always open to our members, this is your chance to take a comprehensive look at what is essentially the balance sheet of the Entrepreneurs’ Organization and gather some great information for your own business along the way.

Financially, the EO tank is full, and we are excited about our opportunity to drive this year. As we go, we’ll keep a close check on the three gauges we’ve set for success: entrepreneurs, value and global. By ensuring those are at the proper levels, we hope to deliver the type of experience you expect from this organization.

As always, we need to know what you think, so communicate with us directly or using theloop@eonetwork.org. We might be driving, but in EO, you are the fuel.

Cheers!

Darton Case
EO Chairman

Troy Hazard
EO President

2006/2007 Strategic Goals: We will focus on three integral concepts that drive the Entrepreneurs’ Organization:
Entrepreneurs — Our mission as an organization is to engage leading entrepreneurs to learn and grow; Value — We will invest in enhanced member leader training and improved communications to support the membership; and Global — We plan to expand and improve Global opportunities in leadership, benefits and events outside of the chapter.

Service Manual: We have been working to develop a manual that outlines all of the policies and procedures of each internal EO department. This manual will streamline the innerworkings of the organization. The completed version will be presented to member leaders at the 2007 GLCs. Attendees will be trained on the materials, ensuring that members around the world receive a consistent membership experience.

Accelerator Program Launches: The Accelerator Program, an Entrepreneurs’ Organization program presented by Mercedes-Benz Financial, allows business owners whose companies earn between US$250,000 and US$1 million to connect to the world’s most influential community of entrepreneurs. If you are interested in this program, contact Erik MacKinnon at emackinnon@eonetwork.org or +1.250.391.6035.

Advances to EOnetwork: We continue to improve the aesthetics and functionality of EOnetwork. Newly launched, are the EO Store and EO Groups. The EO Store (www.eostore.org) features special EO-branded merchandise that can be used by chapters and individual members. EO Groups provides an online community that allows members from around the world with similar interests to connect, discuss and relate. For more information on these and other EOnetwork advances, contact tech@eonetwork.org.

20th Anniversary Planning: A committee has been formed and plans are underway for the celebration of the 20th Anniversary of the Entrepreneurs’ Organization in fiscal 2007/2008. Special events will occur throughout the year, culminating in a huge celebration in Las Vegas that will include EO E-lumni. For more information, contact Courtney Shafer at cshafer@eonetwork.org or +1.703.519.6700.
July 2005 – Implemented EO Brand
After months of discussion and extensive member input, the Young Entrepreneurs’ Organization (YEO) and World Entrepreneurs’ Organization (WEO) re-branded to the Entrepreneurs’ Organization (EO). The implementation of this brand began at the beginning of the 2005/2006 fiscal year.

August 2005 – The EO Montreal University
The first official EO University, Montreal University, was a success, with members from more than 20 countries present. Attendees were treated to dinner in the homes of local members and witnessed a private showing of Cirque du Soleil called Cirque a la Montreal.

September 2005 – Area Director Summit
In an effort to provide more support to its member leaders, EO held an Area Director Summit to help Area Directors from around the world better understand their roles and goals for the upcoming fiscal year and ensure they are all on the same page, regardless of location.

October 2005 – Mark Lincoln Becomes Managing Director
With the departure of the CEO, Mark Lincoln, a 12-year member from St. Louis, accepted a request by the EO Global Board of Directors to lead the organization through the 2006/2007 fiscal year without any monetary compensation.

December 2005 – Relationship With Mercedes-Benz Financial
EO formed a relationship with Mercedes-Benz Financial (MBF) for support of the Emerging Entrepreneur Programs. The EO Accelerator Program, which helps entrepreneurs break the US$1 million annual revenue mark, is one such initiative this relationship helps to support.

January 2006 – Acquired Global Student Entrepreneur Awards
In an effort to reach out to emerging entrepreneurs who might one day become EO members, the organization acquired the Global Student Entrepreneur Awards from St. Louis University (GSEA), which recognize business owners from around the world who are also full-time university students.

March 2006 – Launched Octane: The New EO Newsletter
In response to member interviews from the previous year, EO launched a revised quarterly newsletter, Octane. This publication is presented in a magazine format and offers first-hand stories from EO members and other experts that offer immediate take-away value to readers.

April 2006 – The EO Marrakech University
The EO Marrakech University sold out less than a month from the official launch of the website. Members came to experience varied learning while embracing the culture of Morocco. Many came early or left late so they might fully appreciate the majesty of Morocco.

May 2006 – Global Leadership Conferences (GLC)
For the second year in a row, EO held two Global Leadership Conferences, one in Washington, DC and the other in Auckland, New Zealand. These conferences prepared incoming member leaders for the task of leading a chapter.
EO BREAKDOWN BY REGION

<table>
<thead>
<tr>
<th>REGION</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Asia Pacific</td>
<td>1,495</td>
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<tr>
<td>At Large</td>
<td>37</td>
</tr>
<tr>
<td>Europe</td>
<td>306</td>
</tr>
<tr>
<td>Latin America</td>
<td>390</td>
</tr>
<tr>
<td>North America</td>
<td>4,178</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,406</td>
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</tbody>
</table>

New chapter locations: Lisbon, Casablanca, Dublin, Dominican Republic

MEMBERSHIP COMPOSITION BY REGION

This chart represents the number of EO members found in the various regions of the organization as a percentage of the total membership. Response percentages largely reflect the organization’s composition by region.

MEMBER SURVEY RESPONSE BY REGION

The 2005/2006 member survey was sent to all members in April 2006. Responses were collected through 30 June 2006, the end of the fiscal year.

EO MEMBER SURVEY HIGHLIGHTS:

» Our members are invested in their own experience. We received 1,052 responses to the member survey, representing 16.4% of the membership.

» The Entrepreneurs’ Organization delivers an incredible direct peer-to-peer experience. 94% of our members would recommend EO to a peer, while member satisfac-
**Allocation of Members’ US$1,100 Global Annual Dues**

83% of Your Dues Go Directly to Chapter Support and Communications: A detailed breakout of EO’s dues allocation appears below. The percentages include overhead (staffing, supplies, etc.) in each area. EO’s detailed audit information can be found on EOnetwork under “About EO.”

- **Chapter Development:** 37% ($401)
- **Communications:** 15% ($170)
- **Management and General:** 11% ($126)
- **Global Benefits:** 8% ($93)
- **Learning:** 6% ($70)
- **Technology:** 6% ($67)
- **Forum:** 6% ($66)
- **Governance:** 6% ($62)
- **Depreciation:** 4% ($39)
- **Contribution to Reserve:** 1% ($6)

**Expenses**

Like any business, EO has expenses associated with delivering consistent value to its members on a global level. Below you can see the expenses of various aspects of the organization by percent.

- **Chapter Development:** 37%
- **Management and General:** 22%
- **Communications:** 14%
- **Forums:** 15%
- **Member Benefits:** 8%
- Information Systems Development: 7%

Key Expenses for 2005/2006:
- New Octane Newsletter
- Chapter Website Templates
- EONetwork advancements

**FYE 2005 Organizational Net Revenue**

Though EO receives support from several other sources, the majority of the organization’s revenue comes directly from member dues. This revenue is then filtered directly to support the EO membership experience.

- **Dues:** 94% (US$4,690,259)
- **Contributions:** 3% (US$155,565)
- **Grants:** 1% (US$50,000)
- **Interest & Other:** 2% (US$79,716)

Total: US$4,975,540

**Membership Growth**

<table>
<thead>
<tr>
<th>Year</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>4,519</td>
</tr>
<tr>
<td>2003</td>
<td>5,021</td>
</tr>
<tr>
<td>2004</td>
<td>5,369</td>
</tr>
<tr>
<td>2005</td>
<td>5,883</td>
</tr>
<tr>
<td>2006</td>
<td>6,406</td>
</tr>
</tbody>
</table>

- Members are happiest with their Forum experience, Birth of Giants/Advanced Business Program and EO Universities. The membership rated these benefits 8.1, 7.6 and 7.5, respectively, on a 10-point scale.
- Our regions are satisfied with their chapter leadership and direction, rating their average satisfaction in this area a 7.1 on a 10-point scale.

Members recognize that we provide compelling value. 90% of our members rate the overall value they receive from being a member of the Entrepreneurs’ Organization as a 6 or higher on a 10-point scale.

Mr. Carter has been a member of EO since 2002. He attributes his success in business to the support and resources provided by the organization. He is most satisfied with the Forum experience and its value to his business.

» Members are happiest with their Forum experience, Birth of Giants/Advanced Business Program and EO Universities. The membership rated these benefits 8.1, 7.6 and 7.5, respectively, on a 10-point scale.

» Our regions are satisfied with their chapter leadership and direction, rating their average satisfaction in this area a 7.1 on a 10-point scale.
The Entrepreneurs’ Organization is a business that has much in common with our typical member’s business. EO had a gross revenue of about US$8.5 million in the past fiscal year, 40 or so employees, lots of opportunities and lots of challenges. As a fellow member and the Managing Director of the organization, I want to share with you some of the business aspects of EO in hopes there may be experiences that can help you and your business.

EO has several unique business strengths. We have a high member satisfaction and referral level. We have a business model in which people largely pay for our service in advance, so we have few cash flow issues. We have 6,400 great business people as members. They will often help us for free because they value the organization so highly. And we’ve been fortunate to recruit a strong professional staff.

We also have some unique challenges. Those 6,400 members are in more than 40 countries, and the staff — while concentrated in Washington, DC — are also in offices in Kuala Lumpur, Victoria, Panama City and Berlin. Our member leadership, at a Global and chapter level, turns over every year. And, because a central responsibility of the Global staff is to train member leaders to deliver products and services to local members, many of our members have little interaction with the Global office.

In late June, I gathered our four Senior Vice Presidents (Jason Tate, Operations; Courtney Shafer, Communications; Brian Costanzo, Membership; and Keith Williams, Learning) for a planning session in my St. Louis home. We spent three days learning how to work together as a team and working to address a number of opportunities for the coming year.

This isn’t the first time Mark has given his time and energy to the organization. Since joining in 1993, he has served in various leadership positions, from the chapter board, to Global committees, to the EO Global Board of Directors. His entire time as a member has been filled with a volunteerism driven not by the benefits it afforded him but by his desire to see the organization continue to deliver value to its members. For that, we say Thank You!

EO ENTREPRENEUR OF THE YEAR

MARK LINCOLN

It is the commitment of selfless members that has allowed EO to change the lives of thousands of entrepreneurs over the years. This year, we want to recognize one such member who stepped beyond his chapter and business to help drive EO forward— Mark Lincoln.

In October 2005, EO St. Louis member Mark Lincoln accepted the position of Managing Director of EO for the 2006/2007 fiscal year. He took on this enormous challenge and opportunity without compensation of any form. Since then, he has been leading the staff to meet the needs of 6,400 entrepreneurs from around the world. This he does while managing his own company, Thirdsigma Corp., as its President.

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THE BUSINESS OF EO

MARK LINCOLN
EO ST. LOUIS

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A key element of the meeting was a team profile prepared by a firm called Colarelli, Meyer & Associates. Each team member completed a pair of interviews and several hours of online tests, and the results were combined into a report that showed where the team will work well and where each member can improve. I found this extremely helpful to focus my efforts. I also received feedback on how I am working with the team. The SVPs reported that this tool will help them work better together and understand how to work with me.

We were joined for part of the meeting by Gina Hoagland, an EO St. Louis member from management consulting firm Collaborative Strategies Inc. Gina led us through a session on recruiting and managing people and another session on developing effective operating plans. As a team, we scheduled meetings and review points for the entire fiscal year.

My business experience has emphasized my financial and strategic strengths, but I have seen clearly in other businesses that, once the business space and business model are defined, finding and managing great people is the key to success. That will be a priority for the coming year. We’re proud of our staff and hope you will find them to be service oriented and focused on making you more successful.

I plan to share some other experiences of “the business of EO” during this year. We aren’t sure how interested our members are in learning about the inner workings of their organization, so your feedback on this article will guide us. If you have questions or suggestions for future topics to cover, let us know at thebusinessofeo@eonetwork.org.
BUSINESS NETWORK CONSULTING RECEIVES PRESTIGIOUS CERTIFICATION

Business Network Consulting, an IT consulting firm founded by EO Colorado member Joe Kelly, recently earned the prestigious Certified Information Systems Security Professional (CISSP) designation. Only 25,000 security IT professionals carry the designation in the United States. Business Network Consulting is the largest provider of outsourced computer and network support for small to medium-sized businesses in Colorado, USA.

NETSURIT IS FIRST SOUTH AFRICAN COMPANY TO RECEIVE MICROSOFT AWARD

Netsurit, an IT service provider owned by Orrin Klopper of EO South Africa, has been named Partner of the Year for Sales and Marketing in Networking Infrastructure Solutions at the 2006 Microsoft Worldwide Partner Program Awards. This is the first time a South African Microsoft partner has received the award.

MEMBER COMPANY HELPS OTHERS AVOID THE PITFALLS OF VOIP

EO New York member Ejovi Nuwere has started a new company that helps clients ensure the security of their VoIP (voice over Internet protocol) phone systems. SecurityLabs Technologies assists companies in navigating the complex problems related to Internet-based telephony, such as spam, call interception and security flaws, that can leave VoIP systems vulnerable to hackers. Nuwere’s company provides software that eliminates the need for hiring additional personnel to monitor the security of VoIP calls.

ONLINE BUSINESS SERVICES IS ONE OF THE “BEST PLACES TO WORK” IN SAN ANTONIO

The San Antonio Business Journal has identified Online Business Services Inc. as one of the best places to work in San Antonio. Founder and President Joshua Scheckter, EO San Antonio, has created a culture of family values, a team environment and an atmosphere that celebrates accomplishments, allowing his 14 full-time employees to focus on providing clients with excellent customer service. In addition, Scheckter recently started a radio show directed at entrepreneurs and entrepreneurship that airs in the San Antonio, Texas, USA area.

SPARK DESIGN HONORED AS TOP AD AGENCY IN ARIZONA

Tempe-based advertising agency Spark Design, owned by EO Arizona member Vincent Adam, was recently voted by Arizona Business magazine as the “Best of Arizona Advertising Agency for 2006.” Spark, now in its tenth year, builds a customized relationship with every client, becoming an extension of their in-house staff.

MUNJAL ESYSTEMS EARNs MICROSOFT RECOGNITION

Munjal eSystems recently received recognition from Microsoft for outstanding customer commitment and sales achievement and was named to the Microsoft Business Solutions President’s Club. This recognition honors business solutions reselling partners whose commitment to customers is reflected in their business performance and high level of sales achievement and customer satisfaction. Munjal eSystems is a division of Hero Corporate Service Limited, which is led by Deputy Chief Executive Shefali Munjal of EO New Delhi.

CHOICE ENERGY NAMED TO FASTEST-GROWING COMPANIES LIST

Choice Energy LP led by Senior Vice President John F. Klosek of EO Houston, has been named to the Hispanic Business 100 Fastest-Growing Companies list. Choice Energy, an institutional and retail energy brokerage, has an annual sales growth rate of 28.5% and gross sales in excess of US$20 million.

PARKER FINCH EXPANDS TO OFFER HOA MANAGEMENT FRANCHISES

Parker Finch Association Services, a Phoenix-based homeowners’ association management firm, recently launched a new franchise concept. As described by CEO Jim Small, EO Arizona, to The Business Journal of Phoenix, homeowners’ association management franchising will allow franchisees to take advantage of Small’s business model at a local level. Tucson, Las Vegas, Salt Lake City and Denver are just a few of the markets ripe for this franchising opportunity.

CHICAGO’S VIBES MEDIA ON THE CUTTING EDGE OF TEXT MESSAGING

In collaboration with Verizon Wireless, Chicago-based Vibes Media has launched a text-based adventure game to help promote the movie “Pirates of the Caribbean: Dead Man’s Chest.” Players receive messages that include embedded rich media content, such as pictures and ring tones, and are able to download that content directly to their phones. President Jack Philbin, EO Chicago, was featured in a recent Chicago Tribune article discussing the emerging field of text-based promotions. Vibes Media also provides text services for radio stations, concert venues and television shows.

GUPTA QUOTED AS AN AUTHORITY ON HOTEL EXPANSION IN INDIA

Sandeep Gupta was featured in The Wall Street Journal discussing the growing market for business-class travelers in India. Gupta is the Senior Vice President of Asian Hotels, Ltd., which owns the Hyatt Regency Delhi, and is the Membership Chair and Education Co-Chair of EO New Delhi.

JOE TAUSCHER NAMED TO DALLAS “TOP 40 UNDER 40” LIST

EO Dallas member Joe Tauscher, owner of Checkpast, was recently named one of the “Top 40 Under 40” by the Dallas Business Journal. In addition to Checkpast, which provides background checks and employment screening services, Tauscher has also started LMT Partners LP, a real estate investment fund, and is a partner in Hilltop Capital Frisco LP and JPEX Partners LP.

EO SILICON VALLEY MEMBER SELLS COMPANY TO AOL

In a lucrative move, EO Silicon Valley member Mark Friedler recently sold his 11-year-old internet media company, GameDaily, to AOL. One of the top three most visited video gaming information destinations on the Web, GameDaily will become the flagship video game brand within the AOL Games network and will be united with content and community features currently found on the AOL Video Games website.
When I started my first business at 17, I had tons of enthusiasm but no start-up capital. As you can imagine, that’s not the right combination to entice banks to give you money, so I had to develop creative strategies that would allow me to build my business. Since then, I have applied those strategies to more than 20 start-ups and have seen the value of creativity proven time and again.

For many of us, we instantly think of how we can best spend any spare cash flow the moment it is in our hands. But what if, instead of focusing on how you can use money to get what you want, you used creativity instead?

It seems that, all too often, we end up running to the bank instead of drawing from the large bank of ideas and knowledge that exists between our ears. After all, I believe the true measure of an entrepreneur is demonstrated by his or her ability to produce results with little or no resources. So how can you increase your profits without spending a fortune?

**Increase the Number of Customers or Clients**

This is usually the hardest and most expensive course of action, but for those who are still committed to doing so, here are a couple of quick ideas that exercise your brain and not your bank account.

**Referral Programs**

It still amazes me that most companies do not have a formal, structured method for generating referrals. The simple fact is that your cheapest and best source of new customers is always recommendations from existing ones. While you should have a standard referral program always in place, I suggest testing a different way of generating referrals every 90 days using a variety of approaches and incentives. Benchmark these new methods against the current best performing method to date. After all, just because something is working well does not mean it can’t work better. And you may find that different approaches work better for different types of clients.

**Strategic Alliances**

This acts similar to a referral system but uses another company instead of customers to refer clients. After all, if another company has spent years building trust and loyalty with its clients, and you can cash in on their efforts by reciprocating, you have achieved a natural win-win. Simply ask the question: What do my customers buy after they leave my store or office? This is also a great way to build established credibility by co-venturing with a well-known brand.

**Increase the Amount Each Customer Spends**

You can do this in one of two ways: The classic up-sell, or, even better, by targeting higher volume purchasers.

**Up-Selling**

Generally, I have found that the biggest challenge in up-selling additional products or services is training staff to ask the right question at the right time. Decide on a phrase that staff can memorize and deliver with enthusiasm. This can mean the simple difference between, “Would you like X?” versus, “Would you like to take advantage of an unpublicized in-store offer only available to customers who purchase $X of merchandise today?” Put together an appealing package that includes a discounted second product you still have margin in but people probably would not have bought unless asked.
Profile Customers

We all have what I call “average clients” who spend an average amount per transaction. We also have “dream clients” who need, afford and purchase way more. What is the difference in profile between these and ideal clients?

Many data companies will profile your clients through a lifestyle database that allows you to target more of the people who are already buying your products. Before you ask, do this with your entire client database; however, separate your best-buying customers and review any differences that exist in their profiles. You will probably find that it costs the same amount of money to target these people, so why not focus on them?

Increase the Frequency at Which Customers Buy

Grow your business without spending big bucks by focusing on how to get existing clients to spend more frequently.

Automated Systems

Depending on the nature of your product, auto shipment and repeat order/appointment systems can be a godsend as they not only help tap into the lifetime value of your customers but also set up multiple potential orders from one initial marketing cost. This means you can spend far more than your competitors on acquiring the initial order because you will save in the long run.

Reward Systems

These simple loyalty or reward systems can also be great when utilized effectively; however, it is worth noting that most loyalty card systems are underutilized by customers as they concentrate far more on preventing attrition than up-selling special offers profiled against spending patterns.

There are countless things you can do to increase and improve your business. Remember that you reached your current status because of your ability to find value in creative situations and locations, not necessarily because of an excess of cash. Your continued success lies in harnessing that unique perspective to propel you closer to your vision and even greater and sustainable success.

During the last 10 years, I have owned four successful businesses. My strength appears to be growing businesses, but my weakest skill has always been the financial part. Fortunately, I hired a business coach early on who made sure that I focused on having financial measurements.

Having a financial measurement process in place has helped me to be successful and, more importantly, feel like I run a good company. At the end of the month, I can’t wait to see what these measurements will be, whether negative or positive, so that I can determine what strategies are working and not working.

It isn’t just that I review these reports, but that I also track the key ones such as revenue and profit against year-to-date and monthly goals. This includes the use of graphs so that I can visually see where we are and post results so that my team can see our progress, too.

Here are some questions I ask myself to ensure I have solid financial measurements:

- What type of financial information is critical to my success?
- How can I produce that information accurately?
- Is my accounting department using the right tools (software) and booking expenses/sales accurately?
- How often do I need to review these reports?
- How can I put the information into a visual format to measure results vs. goals?
- What resources do I have to help me with financial issues?

I am not just interested in running a business that makes money; I want a company that is also professionally run. To me, a financial measurement process is an important step to achieving both of these goals.
As an entrepreneur, a large part of what you are able to do with your company, in your industry and with your life boils down to one thing: money.

Though you’ve been able to build a successful company, you know that to get bigger, be better and reach your business goals, you need cash. So, in droves, business owners flock to financial institutions hoping, promising and sometimes pleading for the capital to reach the next level.

Yet there are ways to avoid this draining and demeaning process—approaches that allow you to change roles from hunter to prey. You have the power to make the bank come to you. And the reason is simple: Banks “buy” money from depositors and “sell” money to borrowers at a higher rate. If a bank doesn’t loan enough money, it will never be profitable.

According to Myles Sherman, EO Houston member and WEO Past President, banks need you as much as you need them. “Two years ago, I was asked to be one of the founding members and sit on the Board of Directors of The Bank of Houston,” says Sherman. “I thought it would be a great investment and an even better opportunity to learn how the banking business works from the other side. I have borrowed and paid back more than US$200 million, but I always got the feeling that I needed the banks more than they needed me! In my first board meeting, the most shocking thing happened: I learned that bankers actually want to make loans to entrepreneurs like us.”

Ultimately, the power to be approved for a loan is in your hands. Insiders say there are three basic strategies that will help ensure your success: Plan ahead, be where banks are looking and have someone refer you.

Plan Ahead
Julia Langkraehr, EO London member and Co-Founder/Managing Director of Retail Profile Europe Ltd, says that one of the most crucial steps when seeking a loan is to develop a relationship with a financial institution before you need the money. She learned this firsthand when, as an American, she was seeking funding for a venture that was a new concept in the United Kingdom.
“Get to know the bank early by working with a customer manager long before you need the loan,” says Langkraehr. “If you supply the bank with a monthly management account and annual audit reports, they will know you and your company and feel more comfortable approving the loan when you need it.” This relationship will give you the opportunity to discuss future financial needs before they become pressing and even establish your credit through a smaller loan, like a line of credit.

Ultimately, bankers wants to do business with someone they know and trust, but they must also believe in your business model. It is up to you to educate the lender on your personal history by providing a resume. This document should include your personal financial statement, updated on 31 December and 30 June each year. Even if you won’t be personally guaranteeing a loan, it is important for a banker to know that you have a net worth. Then, in a short and concise summary, tell your banker exactly what your current and future needs are. If the bank has an interest after the initial meeting, there will be ample time for your loan officer to gather information to present to a loan committee on your behalf.

Be Where Banks Look
You’ve heard the old adage that good things happen to those who are at the right place at the right time. While entrepreneurs know that destiny is often what you make it, there is some truth to the “locale” approach. If you are visible when banks are on the hunt for new clients, says Sherman, you have a greater chance of being approved.

For starters, join industry trade groups or a local Chamber of Commerce, because banks obtain lists of their members to establish prospect lists. Or sponsor events that a local bank is also sponsoring to show that you and the financial institution have similar interests. By supporting banking industry-related events or seminars, you can build new relationships and put your company out there to be seen.

Have Someone Recommend You
One of the reasons so many entrepreneurs join EO is to connect with other business owners from around the world. You know that you can learn from the lessons of others, but you also know that everyone prefers to do business with people they know. The world of banking is no different. That’s why having someone recommend you to the folks at the bank will work in your favor, says Jorge Morgan, a Panama member and a President & CEO of MMG Bank Corporation.

Start by asking your accountant, your attorney, a friend and even a Forum mate to make a referral on your behalf to a banker they know or use. Many say this is the best way to get a bank to come to you. Referrals make this a real opportunity in the mind of a banker, as they are searching for good, reputable clients just like you.

It is also important to find the right financial institution for you and your company, considering that you want the relationship to be long term. Ask around to find out what banks you peers use and how they established their relationships. Find out what the different institutions bring to the table by comparing rates, terms and how easy each bank is to work with. This final component, the “user friendly” factor, is important because you probably don’t have time to provide new financial information every week. Sherman suggests asking bankers up front what type of reporting data they will need and how often they will need it.

According to Sherman, timing can also play a factor in whether you get what you need from a financial institution. As with every business, certain times of the year are slower than others based on cultural and regional variables. This may be a difficult time for loan officers to meet their loan quotas, and they will be just as anxious to meet their sales goals as you are to acquire a loan. What’s more, if you are new to the lending game and need extra attention, interviewing bankers in the slow season will benefit your needs. During this slow time, bankers can spend more time with you, meaning less competition to distract them from your business.

Banks provide an inexpensive source of growth capital, but they usually provide such financial support on a short-term basis. Make sure your banker understands your business and will be there over the long term, in the good and bad times. This will require you to be supportive of your banker, making him or her part of your business by visiting often. Treat your loan officer as though he or she is on your board of directors. Don’t show up with constant surprises. Ask for opinions and guidance and provide information as requested no matter how trivial or insignificant it may seem to you. In the end, you will receive the growth capital you need on favorable terms and secure a business advisor who can make a difference in the success of your business.
Arvind Arwalla, CEO of FACT Software International, is an EO Singapore member who has served as chapter president for two terms during his 8-year membership. FACT Accounting for Windows is an integrated, multi-currency, real-time business accounting program that effectively integrates all of a company's sales, expenses, inventory and financial accounting systems into one comprehensive package.

The Need

ARVIND ARWALLA
EO SINGAPORE

The leaders of companies invest substantial sums of money into frontline operations to improve sales performance and impact the bottom line, but most CEOs pay scant attention to their company’s accounting software. They prefer to have a staff person handle the mundane back office stuff. But the reality is that accounting affects the entire operations of a company in more ways than one, and it deserves your attention.

If you’ve attended any EO learning events or sessions on growth, you know that most businesses outgrow their infrastructure. The systems that worked for you when you got started will not continue to work as you grow. This includes your accounting software. And although it may not excite you, if you haven’t evaluated your company’s software recently, now is the time.

Like your business, the accounting software market has made strides to grow and improve. That means that not only are there options other than Quicken and Oracle, but there are accounting packages available that meet the needs of high-growth and mid-market firms for nominal costs.

I have been helping CEOs migrate to real-time accounting for the past 17 years. This “promised land” helps them tighten operations, increase efficiency, raise productivity and improve profitability.

An integrated, multi-currency, business accounting program that effectively integrates all of a company’s sales, purchases, inventory and financial accounting systems into one comprehensive package will actually save you money. It will operate on a continuous basis, whereby each transaction is immediately posted to all relevant areas of a company’s financial management system. Best of all, it reduces the audit cycle tremendously.

Though my software of choice is FACT, there are several programs on the market that can fill this need. For example, in recent years, Microsoft launched Dynamics, a suite of four accounting systems for the mid-market. They’ve lowered prices and spent millions on research and development. Sage MAS Products launched a comparable suite of accounting programs, a system that is also affordable. What’s more, these programs are integrated with the technology that most of us already use, so there is no need to learn a new operating program.

And, since everyone in the company is entering transactions in the same system, employees are able to generate reports on a real-time basis. These reports are absolutely up to date, allowing you to make decisions based on current performance, not on stale data that may be weeks old. Everything you need to know about the financial health of your company is available to you with the click of your mouse.
The Choice
MICHAEL MAHONEY
EO DC

But with the 10,000 accounting programs on the market, how do you know which is the best fit for your business? This takes some thought as, in my experience, at least 50% of implementations in the industry are either “substandard” or “failed.”

To understand the devastating impact of a failed implementation, consider BearingPoint, a respected, multi-billion dollar consulting firm in the United States. Their failed accounting system implementation in 2004 resulted in an inability to release earnings for nearly a year, significant revenue restatements, a U.S. Securities and Exchange Commission (SEC) investigation and the loss of more than 25% of the firm’s 17,000 employees. Ouch.

So many companies make the same mistakes as BearingPoint, but with a little information, you don’t have to.

Plan
The first mistake begins with a failure to follow a rational evaluation plan. Most prospects are stumbling blindly through the process. They expect vendor sales representatives to educate them, fail to involve the right stakeholders, have no vision for success, no timeline, no budget and little understanding of user needs. They often consider an absurdly broad range of solutions with decisions that are too easily influenced by the biases of those involved— the CEO wants the safe solution, the CFO wants the cheap solution, users want the familiar solution and the IT team wants the expensive, technologically exotic solution.

My experience with successful buyers is that they begin with the end in mind. They convene a balanced group of stakeholders and create a written project plan that includes a mission, success criteria, timeline and budget. They review their business’ processes and needs, research solutions and quickly develop a short list of candidates. They invite vendors into the process only when they are prepared to control the discussion, ask relevant questions and judge answers.

Understand
The second mistake I see is the one BearingPoint’s CEO blamed for their embarrassing debacle— a lack of proper training on the new system. Today’s accounting systems are rich in functionality and highly flexible. Asking a staff accountant to start work based on a few hours of mentoring from an implementation consultant is begging for trouble.

The prospects I’ve worked with who get it right empower their staff to take control of the new system. This means they invest in hands-on classroom training led by certified instructors at a bona fide training center. This not only dramatically raises their chances of success, but it also saves them money. One day of certified classroom training generally costs less than four hours of a support consultant’s time, meaning the training often pays for itself within the first month.

Choose
Even if you manage to make the first two mistakes, there is still hope if you avoid the third and most lethal mistake— selecting the wrong implementation partner. If there is only one decision you absolutely, positively must get right, it’s this one.

The harsh reality is that, although accounting system technology has advanced dramatically during the past 10 years, the community of implementation partners has not. More than 90% of all implementation firms have fewer than five employees, and many operate as home-based businesses. Trusting your mission-critical applications to a firm that can’t afford office space doesn’t make sense.

A good partner will be straight with you during the buying process, safely guide you through the inevitable surprises that crop up during implementations and provide proactive support and value-added services long after the system goes live. Look for a partner with expertise in your industry, an experienced management team and resources deep enough to support you. Don’t worry about hourly rates: in the big picture, expertise and the ability to deliver will keep the costs in line.

Michael Mahoney, aka “The How to Buy Guy,” is a CPA and CEO of Brittenford Systems, a Microsoft Gold Certified reseller of accounting systems. He has been an EO member for four years and serves on the DC chapter board.
Though my entrepreneurial background was formed in the service industry, I have always been open to new ways and opportunities to expand my wealth. I think that is one of the reasons many of us join EO. For me, an introduction to another EO member brought such an opportunity.

When I met Phil Carroll, EO Arizona, we quickly became amazing friends. During one of our friendly chats, I asked him about what he did, and he told me a little about the condominium business and how he helped investors build “virtual apartment buildings” (VABs). Phil had owned and operated public companies, manufactured products and cultivated this interesting concept of owning a virtual apartment building. He made a lot of sense and was a proven performer. After a little investigation, I decided to take a stab at creating my own VAB. I did just what my father always advised: “Study what the most successful people do and then go out and do the same thing.”

Here’s how it works

The idea is to buy freehold, deeded condominiums that were converted from top-notch apartments in high-growth real estate markets. This is not necessarily a new idea, except that this vertically integrated approach involves acquisition, renovation, property management and marketing. The investor can focus on the VAB’s regional design and cash flow without the time-consuming activities of buying a property, making repairs and finding a tenant. Finding time to drive by on a Sunday to see if the house is still standing is not my idea of fun.

This is not a buy-and-flip, get rich quick scheme. It is a buy-and-hold wealth building plan. Each suite is renovated, has a property manager on site and has a long-term tenant. The effortless nature of the process was amazing. I started by buying a few suites in each new project. My VAB started growing, and in a short amount of time, I had accumulated a significant number of properties. It was simple. My lease income deposits are made electronically by the property manager, and my mortgage debt service is drawn off of the same account by my mortgage companies. I was on my way to having my own virtual apartment building— pretty cool for a fitness guy.

Better yet, in just a few short years, I increased my net worth by a couple million and had to leverage only about 10% of that to make it work. I now have the foundation to continue the build-up of my virtual apartment building. My goal is to have a 40-suite VAB when I reach my retirement years. My VAB promises to continue being an appreciating asset because the cities where my individual suites exist have growing population figures that exceed 100% during the next 20 years.

I love my virtual apartment building. I get to provide a great living environment for my tenants, the VAB will help provide the lifestyle I want and I have fun building it. Moreover, if I can build a virtual apartment building while maintaining a balance with family, work and exercise, so can you! 🏡
I’ll bet you have received some sort of pitch in the last week in the mail, on the Internet, over the phone or at your door from organizations as diverse as the Girl Scouts, the Police Athletic League, the Red Cross, a political party or a myriad of other special causes. If so, how did you respond? Do you know why you said yes or no?

The funders we have interviewed during our research at Bottom Line Consultants consistently identified one principle that may be the most overlooked and underappreciated by businesses, individuals, organizations and corporations seeking funding: It’s not about you; it’s about them.

Never underestimate the psychological reasons behind why people give. All funders have compelling personal needs they are trying to fulfill or they would not make a monetary commitment. Your challenge as someone seeking funding of any type is to identify their compelling needs. The better you understand these needs, the more likely you are to connect on a level by which they will actually seek you out. An old sales principle is as applicable in raising capital as it is in selling products like cars, computers and cosmetics. People or institutions give for two primary reasons: 1) It solves a problem or need for them and 2) It makes them feel good.

The host of specific, personalized motives and rationales are as varied as the number of funders and the types of funding. Thirteen examples of compelling needs that motivate funders are:

- Institution/business profit motives
- Feeling good about oneself
- Giving back to the community
- Spiritual or faith-related needs
- Ego and/or being admired
- Pure altruism
- Wanting to be part of something
- Building individual wealth
- Tax-deductibility
- Guilt
- Intimidation
- Fifteen minutes of fame
- Tangible benefits

You can approach anyone for capital — be it a banker, an angel, a political donor, investment banker, private foundation or Warren Buffet himself — as long as you understand the funder’s compelling need and connect emotionally, mentally or physically. If you do it right, you will find a world of people waiting in line to give or lend you money or invest in your business. Why? Because it’s about THEM!
Here are the opportunities for EO Global learning for fiscal 2006/2007

**EUROPEAN CONFERENCE**
26–29 October 2006
Lisbon, Portugal
www.eonetwork.org/sites/programs/lisbon

**LATIN AMERICAN CONFERENCE**
24–27 January 2007
Bogota, Colombia

**TOKYO UNIVERSITY**
27–31 March 2007
Tokyo, Japan
www.eonetwork.org/universities/tokyo/tokyoinfo.html

**GATHERING OF TITANS (GOT)**
11–15 April 2007
MIT Endicott House
Dedham, Massachusetts, USA
www.gatheringoftitans.com

This annual event provides unparalleled value with high-impact business takeaways, social interaction and “whole entrepreneur” lifestyle management for BOG graduates.

**ADVANCED BUSINESS PROGRAM**
Year 2/Class of 2007
15–18 April 2007
MIT Endicott House
Dedham, Massachusetts, USA

Join fellow entrepreneurs at MIT’s suburban campus for an intensive four-day course that delves into relevant topics pertinent to maturing businesses.

**BIRTHING OF GIANTS (BOG)**
Year 3/Class of 2007
2–6 May 2007
MIT Endicott House
Dedham, Massachusetts, USA

This, the final year of the BOG program, will teach participants how to accelerate the growth of their businesses. After Year 3, participants graduate from the BOG program.
EO Global events allow you to network with your peers from around the world, connect to experts from a variety of disciplines and create once-in-a-lifetime experiences that can only be found through EO.

Make plans to attend at least one of the events in 2006/2007 and discover the true power of a global community of entrepreneurs.
TAKE A SIP FROM THE MOST LIQUID MARKET ON EARTH: FOREX

KAI PETERSON
EO GERMANY

If someone asked you, “What’s the most liquid market on earth?” you might think it a trick question and respond with, “Beer sales at the World Cup in Germany!” But it’s not a trick question, and the actual answer is the Foreign Exchange. “Forex,” as it is commonly known, has a daily turnover of approximately US$1.9 trillion and is the largest single trading market in the world. In fact, it is larger than all the other trading markets combined.

Traveling to another country that uses a different currency means getting your hands on some of that currency. What you are actually doing is “buying” an amount of foreign currency by “selling” your own currency. When you return, you “sell” what you have left of the foreign currency to the bank. But the bank will then pay a lower price for the foreign currency than you paid for it! This price difference is called “the spread,” and it is hugely profitable for banks.

INFLUENCING THE VALUE OF YOUR COMPANY

STEPHEN GOLDBERG
EO NEW JERSEY

Although every business has its own set of circumstances, buyers typically evaluate potential acquisitions in a similar manner. Based upon my experience in the marketplace, the following are the major factors considered by prospective acquirers when determining a company’s worth and the ways in which you can help them reach the “right” decision regarding the value of your company.

Recast Earnings

With rare exception, a company’s recast pretax earnings influence valuation more than any other factor. Buyers are looking to purchase a stream of income that will provide a desired return on investment and justify the purchase price, so most commonly accepted valuation methods primarily rely on multiples of earnings. The stronger the earnings, the greater the value. Given this reality, it is critical that a seller present financial statements in a format that will maximize the earnings in the eyes of the acquirer.

International companies have to deal with another aspect of forex: As changes in exchange rates can drastically influence their profits, it becomes necessary to hedge this risk. One way to do this is through currency options that allow you to buy (or sell) a certain currency in the future at a rate that is fixed today—the option price you pay today is like an insurance against the currency risk.

Who else is active in the forex market? Governments, all major banks, insurance companies, hedge and mutual funds, investment houses and, of course, individual investors who either trade their own forex accounts online or have professional forex money managers who do it for them.

While the stock exchange (actually a company) is responsible for quoting the prices of the stocks and derivatives traded, there is no central forex authority. Instead, there is only the inter-bank market, which is a cooperation of international banks that constantly quote bid prices to other banks.

The lack of a central forex organization has some interesting implications. It’s not only one of the least regulated markets, it’s also constantly open from Monday morning in Australia until Friday afternoon in New York. Additionally, it’s a highly transparent market—no CEO can “cook the books” of the US

Hard Assets

Tangible assets have a positive influence on value. The greater the asset value included as part of a transaction, the greater the overall company value. But, since earnings typically have a greater impact on valuation than assets, increases and decreases in asset values rarely have a dollar-for-dollar impact on company valuations. Large sums of required capital assets may actually be viewed as a “liability” to certain buyers as they generally require larger future investment to replace or maintain these assets, diminishing future available cash flow.

Risk Factors

To clearly determine a company’s value, buyers must weigh future opportunities against perceived business and economic risk. Elements of the business that increase risk decrease the value of the business. Conversely, elements that decrease risk increase value. Although each risk is unique, they all have one common trait: an ability to either reassure or cast doubt on the predictability of future cash flow. As a result, the better a business can control, offset or properly present these potential risks, the more positive the impact on valuation.

Acquirer Identity

A company can have a significantly greater value to one acquirer than another. Much of the perceived
dollar, and even drastic changes between the major currencies rarely exceed 1 to 2 percent, eliminating the threat of a “Black Friday” in forex. Last, but not least, the forex market is never “bullish” or “bearish” because a declining US dollar against the euro means a rising euro against the US dollar. This is true for multiple currency pairs and offers forex traders plenty of opportunities to take profits from the markets day after day.

All these facts make forex highly attractive to private investors. And, with the Internet, there’s excellent online trading software that provides direct access to the market. The small percentage of change that usually occurs between the major currencies allows banks and brokers to offer a highly leveraged investment strategy. The industry standard is a leverage of 1:100, which allows you to electronically buy euro worth US$100,000 with a margin payment of only US$1,000 and to sell just as easily with another click.

If you are interested in this profitable market, you can consult a professional forex trader. These professionals can help you create a managed account that is similar to classic investment funds and allows investors to further diversify their portfolios. With much lower leverages (usually between 1:2 and 1:5), annual compounded returns of more than 15% are not unreasonable while still implementing low risk money management strategies.

Managed accounts are now available with a capital guarantee provided by the largest private banking group in Switzerland, showing that forex is coming of age. It is expected to take a leading position among other investment opportunities during the coming years. To get started now, here’s what you do:

» Decide whether you feel comfortable speculating in forex yourself or leaving it to a professional

— If you want to give it a shot yourself, read a book and download a demo platform to get a feeling for trading.

— Otherwise, speak to someone offering a forex managed account, and ask the same questions you would ask anyone offering you an investment opportunity.

value derives from the company’s strategic fit with a potential buyer. Strategic value can be achieved through cost synergies or sales and marketing of complementary products and services that afford new markets and customers to each company. The key is to identify potential acquirers who should have the most to gain from a business combination.

Terms
Price and terms tend to have a negative correlation. For example, an all-cash transaction will generally yield a lower price when compared to a transaction that includes owner financing. The better the terms offered to a buyer, the higher the price that can be paid to the seller. This primarily relates to cash flow, cost and availability of outside debt capital and risk associated with completely “cashing out” the business owner at closing. The key is to identify the right combination of price and terms that creates a “win-win” for both buyer and seller.

Transaction Structure
Deal structure can also influence the total financial yield to a seller. Will the transaction be an asset sale or a stock sale? Will the seller receive continuing perks and fringe benefits? Will the seller retain certain assets rather than include them as part of the transaction? Will the seller be willing to structure an earn-out for a portion of the transaction? These and many other alternative transaction allocations and structures will have a direct impact on tax implications and total yield to the seller.

Presentation and Packaging
When buyers evaluate a business opportunity, they expect the records and facts to be properly organized and documented. A professionally packaged business will greatly increase a buyer’s confidence and comfort level, thereby increasing the likelihood of a successful sale. Most buyers enlist a CPA, lawyer or business partner to provide feedback. These educational presentation packages keep everyone on the same page.

You have spent years establishing name recognition, market niche, vendor relationships, operation and production systems, management, personnel, distribution channels, customer loyalty, expansion opportunities, synergies and numerous other intangible business assets. This is a story that needs to be properly presented to potential buyers. A professional intermediary can present the best possible picture of the entire business, thus maximizing the attractiveness and perceived value of the firm in the eyes of potential acquirers.

THE WPO-EO MENTORSHIP PROGRAM

An EO Member Perspective
TIM DANLEY
EO DES MOINES

As EO members, we constantly learn from our peers and our experiences, but how nice would it be to interview the top executives in a company that is more advanced and successful than our own and learn the secrets from the inside? How much knowledge would we gain? How much money would we save?

Well, from experience, I can tell you that I’m saving more than US$100,000 annually from doing exactly that.

When I helped to found the EO Des Moines Chapter in 2000, one of the benefits that attracted me to the organization was the WPO-EO Mentorship Program—the opportunity to be mentored by leaders who had already been through what I was struggling with. I am on my fifth mentor right now and anxiously await next year’s experience.

Mike Duffy is my current mentor, the owner of Per Mar Security, one of the largest security firms in the Midwest United States. The knowledge I have gained from him has been exceptional. To help me address a specific issue in my company, Mike basically gave me access to his entire Executive Team and department heads.

Mike has a large organization, even though he built it from a company that was once smaller than mine, so he understands what I am facing. In only the second month of our mentor relationship, he set up appointments with everyone from his President and CFO to his Purchasing Manager. I had full access to all policies and procedures, including their Purchase Request Program, Document Retention Policy and more.

After these interviews and access, I implemented their Purchase Request/Purchase Order Program. Immediately, we saw an impact on our gross profit and net bottom line. Specifically, this led to our cost of sales decreasing by more than 5% at our main location, more than US$100,000 annually. Based on these results, we immediately implemented the process at our other locations with similar results.

The great part is that this wasn’t the most valuable contribution he made to the relationship. It’s not just about the money; it’s about constantly learning and striving to do things better. The money will always come as a result. Through my mentorships, I have seen different perspectives in a confidential environment from successful people who have been through a wide range of experiences. If you ask the right questions and listen close enough, that opportunity is priceless!

A WPO Mentor Perspective
MIKE DUFFY
WPO IOWA/WPO LAS VEGAS

When I was asked to participate in the WPO-EO Mentorship Program four years ago, I thought it was going to be a pain since I live 150 miles from the closest EO members. Because my company has a branch in the Des Moines area, however, I decided to move forward with the program. This decision was a good one that I’m happy I made.

I have had the privilege to mentor three EO members and, even though I am the mentor, I have found that the exchange of knowledge between peers goes both ways. My “mentees’” enthusiasm and youth help recharge my batteries, and we learn a great deal from each other even though we aren’t in the same type of business. We help each other with leads in our respective markets that prove valuable to us as business owners. It is also gratifying to know that the knowledge of my employees is useful to them in so many different areas of their businesses, reinforcing my feelings about the abilities of my employees.

Mentoring has allowed me to make some wonderful relationships that have proven valuable to me, personally and professionally. I would recommend it to all of my EO and WPO peers.
THANK YOU TO OUR AFFINITY PARTNERS

**ExactTarget**

ExactTarget delivers on-demand email software solutions for permission-based email marketing. EO Global, The Home Depot, General Mills, Scotts, Churchill Downs, Encyclopedia Britannica and more than 3,250 organizations worldwide rely on ExactTarget email solutions to strengthen their customer relationships and to control email throughout the enterprise.

**PR Newswire**

PR Newswire Association LLC provides electronic distribution, targeting, measurement, translation and broadcast services on behalf of some 40,000 corporate, government, association, labor, non-profit and other customers worldwide. Through a partnership with the Entrepreneurs’ Organization, PR Newswire provides a PR Toolkit that includes a variety of resources including educational articles and press release writing tips.

**BetterWorld Telecom**

BetterWorld Telecom is a U.S. voice and data communications provider focused on serving businesses, enterprises and organizations. BetterWorld customers save on average 28% off the major providers. Quality and service are backed up by a 100% guarantee, and BetterWorld donates 3% of overall revenues to causes that benefit children, education and the environment, plus a percentage to EO.

**Hertz**

Hertz, the world’s largest car rental company and best known global travel brand, offers all EO members and their employees reduced rates, discounts and fee-waived membership in Hertz #1 Club Gold®. The EO/Hertz Business Account Program provides members in North and Latin America, Australia and New Zealand with earned Free Rental Day Certificates as well as other upgrades and offers. Hertz returns a portion of the revenue generated by EO members and their employees to EO Global.

THANK YOU TO OUR STRATEGIC ALLIANCES

- **Mercedes-Benz Financial**
- **Ewing Marion Kauffman Foundation**
- **Edward Lowe Foundation**
- **WPO**
- **Young Presidents Organization**
- **Inc.**
Our Mission
To engage leading entrepreneurs to learn and grow