

MONTHLY AUDIO PROGRAM

B **BUSINESS** **ESSENTIALS**

NOVEMBER 2007



THE **EXTRAS**

Introduction



This month's Extras booklet has several special offers. Please take advantage.

Candy Tymson would be pleased to give you access to her Gender Games e-book. If you buy Kirsty Dunphey's new "Retired at 27" you'll receive her e-book "21 Powerful Tips to Maximise Your Business Success And Create a Happy Life!"

And then there's our special offer to enter a draw for a fully installed digital surveillance system from Monitored Alarms valued at \$5,700 if you purchase additional BE subscriptions for Christmas at half price for customers, clients or your own business workplace.

And on the subject of gifts – if you're thinking of giving or selling equity to key employees in your business there's plenty of advice from Michael Jones of Cummings Flavel McCormack.

Kirsty Dunphey tells us how she has learned to rule her own world with sound advice for all of us to do the same, Janine Allis spells out how she's going global with her Boost Juice, Professor Stephen Lundin drives home the importance of innovation and how to achieve it, solicitor Paul Brennan warns us about going to court and Candy Tymson signals the differences between men and women in business.

We learn about running a successful family business from Peter and Angelo Ciliberto of C-Direct, members of the Family Business Association and of course we'll hear from our regular contributors economist Professor Neville Norman, Ms Megabyte with computer tips and Tim Lincoln on shares. He earns our congratulations for winning number one status for his managed fund.

Enjoy the program and take advantage of the offers.

Michael Schildberger
Managing Director

WEBSITE: www.be.com.au

CHIEF EDITOR: John Hounslow

PRODUCTION MANAGER: Heather Dawson

STUDIO MANAGER: Peter Letts

ADVERTISING/SPONSORSHIP: Nick Schildberger nschildberger@be.com.au

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THIS MONTH'S

ESSENTIALS



Track 2

RULE YOUR OWN WORLD

Kirsty Dunphey

- Ruling your world means doing work that you love, working with people you admire and doing things you're passionate about
- Taking risks doesn't mean you have to be risky
- It's important to document everything going into a business partnership
- Never stop educating yourself – read, read, read!
- Negative people make you appreciate the positive influences
- You can learn from any experience - even bad ones.

Track 3

ECONOMIC UPDATE

Professor Neville Norman, Melbourne University

Indexes for Business to Watch and Use

- The election is on. "The economy" will be the central debating point
- Indexes are everywhere: e.g the CPI, PPIs, TWI, the All Ordinaries index
- Many in business know little about them or how business can use them
- Indexes exist for 2 reasons: (1) To combine non-comparables like prices of food and cars; and (2) to conceal information but preserve relative or percentage changes
- Businesses can exchange index information to benchmark progress on profits, sales, expense and productivity
- Economy example 1: Trade-weighted Australian foreign exchange index. Despite the 20%+ surge in \$US/\$A, the trade-weight index of all rates has risen less than 10% in a year
- Example 2: the CPI all groups based on 1990 is: food 173, clothing and footwear 109, health 231, education 271 and "all groups" is now 158
- Example 3: Australian share prices on the same 1990 base are now 488 –they're just on 800 in Hong Kong
- The moral – Everyone in business needs to note and know their numbers, including index numbers. Hope this has been a spur to doing so
- Quiz: Where would an index value of the Tokyo stock market prices set at 100 for 1990 be today? Answer – also exactly 100 – after the massive (delayed) halving in the early 90s and long slow recovery back to where it was in 1990.

THIS MONTH'S

ESSENTIALS

Track 4

BUILDING A GLOBAL BRAND

Janine Allis, Boost Juice

- We looked at growth and decided we couldn't do more in Australia, then embarked on extensive overseas research
- We went to several countries and discovered there was no established brand for juice & health products
- We invested heavily in trademarks, deciding the best entry strategy and finding the best franchising model
- We based our concept selection criteria on "Ps" – Product, Position, Promotion and People
- It's a long term project so we had to make sure we had the right people with the right resources to make the brand work in other markets
- We're now in six countries and further partnerships are being negotiated

Track 5

GROWTH AND RENEWAL IN FAMILY BUSINESS

Peter and Angela Ciliberto, C-Direct

- The younger generation has helped us keep on top of trends
- They've helped professionalise the business eg Danielle in HR processes and manuals, Andrew and Robert in technology
- We operate as a team but Peter is the final decision maker
- We have a family constitution and a board is being established – still a learning curve for most family members
- A succession plan has been articulated for the year Peter turns 60
- The next generation have been asked big questions about taking the business on – they're willing and now need to prepare
- Suppliers and customers need to be happy with relationship changes
- We've agreed that an outsider can take over for a time if the next generation still isn't ready - they're still young but age isn't everything, it's also conviction and passion.

THIS MONTH'S

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Track 6

BRIDGING THE GENDER GAP

Candy Tymson, Tymson Communications

- In today's business world, women are very good at building teams and looking at work/life balance
- They fall down badly in promoting themselves internally and externally and keep getting overlooked for jobs
- Men are much better at negotiating and handling conflict
- Most women are good at building relationships and excel in sales
- Men focus more on getting the job done
- Businesses are starting to realise the best approach is to send in a male/female team.

Track 7

GOING TO COURT!

Paul Brennan, Brennan Solicitors

- Litigation is emotionally draining and should only be entered into as a last resort
- Mediation is a better option but some people aren't ready for it
- There are times when you must take court action – with unscrupulous people or those who are just plain difficult or ditherers
- Don't assume you'll profit from a court case
- Don't expect to get all your legal costs back
- Make sure of your evidence
- Be prepared to look for settlement and compromise
- Prepare very carefully!

Track 8

GRANTING EQUITY TO KEY EMPLOYEES

Michael Jones, Cummings Flavel McCormack

- It's important to identify the reasons for considering equity participation by employees
- If the purpose is remuneration and retention, it may be better to consider alternatives before parting with equity
- If the purpose is business development and succession, then equity participation may be suitable

Track 8

GRANTING EQUITY TO KEY EMPLOYEES (cont'd)

- If the employee does not want to pay, then the employee is probably not ready to make the transition from employee to business owner
- Special tax rules apply - make sure there are no surprises

Questions to ask:

- Will the employee pay income tax on receiving equity?
- Will the employer be subject to FBT?
- How will the employee fund the equity share? If the employer helps fund it, does that blur the ownership arrangement?
- How do you agree on value?

Track 9

SHAREMARKET UPDATE

Tim Lincoln, Lincoln Stock Doctor

- We've passed the 6500 points barrier and heading for our stretch target of 7000 points
- Bad luck for investors who panicked and bailed out in the last correction
- The lesson: We must maintain our long term focus with quality stocks
- Remember that not all boats float: 1 in 3 stocks have produced negative returns and 50% of the market shows signs of stress
- Follow the Lincoln 9 Golden Rules
- We're very proud: Lincoln is No. 1 out of 750 large cap growth managers in Australia – a wonderful achievement!
- Star stocks: BHP, Mermaid Marine, JB Hi-Fi, CSL, Seek, St George, and QBE.

Track 11

CATS: THE NINE LIVES OF INNOVATION

Professor Stephen Lundin

- Let the world provoke you to get outside your standard routines
- Try to find the energy in a frustrating distraction
- Turn failures into learning experiences
- When something goes wrong, like a staff member arriving late, turn it into a positive
- All innovation is personal – organisation is second. We have to let our people find their personal innovation then use it.

i FOR MORE INFORMATION

about the topics discussed on this November 2007 program, please contact the relevant organisations as listed below.

RULE YOUR OWN WORLD

Kirsty Dunphey, author, "Retired at 27.

If I can do it anyone can"

kirsty@kirstydunphey.com

www.kirstydunphey.com

See Kirsty's offer on page 17 of this Extras booklet for purchasers of her book. The book can be purchased online at www.unleashedknowledge.com

ECONOMIC UPDATE

Prof Neville Norman, Melbourne University

n.norman@unimelb.edu.au

BUILDING A GLOBAL BRAND

Janine Allis, Boost Juice

www.boostjuice.com

GROWTH & RENEWAL IN FAMILY BUSINESS

Peter and Angela Ciliberto, C-Direct

T: 03 9499 7771

peterciliberto@c-direct.com.au

www.c-direct.com.au

The "How to Enter the Family Business of the Year Awards" will be held on Thursday 13 December from 4.00 to 6.00pm, at C-Direct, 243a Lower Heidelberg Rd, East Ivanhoe, Vic. Go to www.fambiz.com.au for more details

BRIDGING THE GENDER GAP

Candy Tymson, Tymson Communications

02 9976 6777 or 0418 430 544

candy@tymson.com.au

www.tymson.com.au

GOING TO COURT!

Paul Brennan, Brennans Solicitors

T: 07 5444 2166

paul.brennan@brennanlaw.com.au

www.brennanlaw.com.au

GRANTING EQUITY TO KEY EMPLOYEES

Michael Jones, Cummings Flavel McCormack

T: 03 9252 0800

enquiries@cfmc.com.au

www.cfmc.com.au

SHAREMARKET UPDATE

Tim Lincoln, Lincoln Stock Doctor

www.lincolindicators.com.au

Please contact Lincoln direct for details about its Stock Doctor fundamental analysis software or Managed Fund services.

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♂ GENDER GAMES ♀

DOING BUSINESS WITH THE OPPOSITE SEX

- Do you ever have conversations with the opposite sex and just know you're not getting through?
- Do you sometimes wish you had a simple technique to handle conflict?
- Would you like to have the 10 strategies on how to be more persuasive when negotiating, selling and working with the opposite sex?

Effective communication is one of the most important tools in business today.

By special arrangement with Business Essentials, you can download a free copy of *Gender Games: Doing Business with the Opposite Sex* by Candy Tymson, CSP – a 45 page E-book packed with tips and techniques.

Simply log onto: www.tymson.com.au/tips/Ebook_G.Games.pdf

Enjoy!

Regards



Candy Tymson
Communication & Gender Differences Expert

Contact Details:

candy@tymson.com.au

Phone: 02 9976 6777





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What's on at AIM

AIM Victoria & Tasmania

Cold Calling: Face-to-face cold calling strategies

Customers are the lifeblood of any business. This Professional Development Forum will provide practical and affordable strategies for finding new business. Begin developing your cold call by first getting yourself ready to get started. Plan the opening stage of a cold call and develop a long term cold calling strategy. Also, explore and share a variety of other ways to find new business.

Date:	Wednesday 14 November
Duration:	6pm - 8pm
Venue:	AIM Management House 181 Fitzroy Street, St Kilda VIC
Cost:	AIM Members \$18 Non Members \$30
Bookings:	Call (03) 9534 8181 or visit aimvic.com.au/events

AIM New South Wales

Managing Mental Health in the Workplace

In an era of record low unemployment, people with mental illness represent a relatively untapped pool of talent. Facilitated by Dr Jennifer Alexander, Chief Executive Officer AIM NSW & ACT, this seminar boasts a line up of five speakers, all experts in their respective fields, who will build a business case for employing people with chronic mental health conditions, given appropriate circumstances and conditions.

Date:	Wednesday 14 November
Time:	9am - 12.50pm
Venue:	AIM NSW 215 Pacific Hwy North Sydney NSW
Cost:	AIM Members \$295 Non Members \$345
Bookings:	Call 1800 651 811 or visit aimnsw.com.au

AIM Western Australia

HBF Getting 'Fit for the Future' with Rob Bransby, CEO HBF

HBF, one of WA's leading brands that has more than 900,000 members, provides a range of products designed to assist members' health and wellbeing. HBF's focus on providing a high quality and caring service to members has made it one of Western Australia's most highly regarded organisations. Rob Bransby will talk about some of these challenges, including preparing for future changes in the private health insurance industry and the impact of privatisation on health funds.

Date:	Thursday 15 November
Time:	7.15am - 9am
Venue:	Perth Convention Exhibition Centre
Cost:	Professional Members \$44 Affiliate Members \$77
Bookings:	Call (08) 9383 80088 or visit aimwa.com.au

AIM South Australia

Winning The Bid: A fresh insight into winning tenders, presentations and business proposals

This event will combine best practice techniques with practical case studies drawn from a wide range of industry sectors. You will be able to strengthen your approach by learning from the successes and mistakes of market leaders. In this seminar, Piers Dudman will show you how you can improve your organisation's approach to winning the bid by focusing on the key elements of client pursuit, bid strategy, bid documents and presentations.

Date:	Wednesday 7 November
Time:	9am - 4.30pm
Venue:	Centre for Management Development, 180 Port Road, Hindmarsh SA
Cost:	Members \$450 Non Members \$495
Bookings:	Phone (08) 8241 8000 or visit aimsa.com.au



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Neil Flavel on: 03 9252 0800
or email: nflavel@cfmc.com.au

see further

Thinking about equity participation for a key employee?
Don't let tax spoil the moment - get the right advice.

CFMC KEY TAX DATES NOVEMBER AND DECEMBER 2007

- 21 Nov** **October 2007 monthly activity statements:**
final date for lodgment and payment
- 28 Nov** **Superannuation guarantee charge statement:**
payment and lodgment if 2008FY Quarter 1 superannuation guarantee contributions were not made by the due date.
- 01 Dec** **Medium to large companies/superannuation funds:**
income tax payment due
- Companies/superannuation fund:**
income tax payment due for those that were required to lodge by 31 October 2007.
- 21 Dec** **November 2007 monthly activity statements:**
final date for lodgment and payment

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If you are contemplating an opportunity or problem, why not call us.

DC Strategy (Head Office)

RACV Tower, 485 Bourke Street
Melbourne, Victoria
Australia, 3000

growth@dcstrategy.com
www.dcstrategy.com

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Brisbane +61 (0)7 3015 7600
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 **Allsafe** Regularly reviewing and refining the “go to market” strategy and structure is an essential element in strong and consistent business growth. Solid growth depends on employing the right business model at the right time. Evaluating and refining the chosen model is one of the keys to longevity and successful performance.

The Business

Allsafe Energy Efficient Products was originally established as a cooperative by four independent retailers in Queensland. Offering a proprietary range of woollen insulation and related products, the group grew consistently. As demand for energy efficient products began to increase, the founders looked for a new business model to grow the network and capture increased demand.

The Challenge

By 2006 the cooperative had grown to more than a dozen members. However, as in many cooperatives, the group’s presentation and retail offer was inconsistent. It was obvious the significant increase in demand for insulation, solar hot water, photo-voltaic cells and other energy efficient products would not be realised unless a new “go to market” model was developed and implemented.

The Solution

DCS evaluated the business and determined an owner-operator model would provide the Allsafe founders the growth they desired. The team developed the financial and commercial policies which provided the level of control whilst recognising the need for varying product ranges from store to store. In addition, the DCS team developed the Allsafe recruitment system to enable the founders to recruit quality owner-operators.

The Outcome

Allsafe has progressed from a loose cooperative into a formal franchised model and is now poised to deliver the growth the founders desired but which was not possible under the original cooperative model. Consumer concern for the environment is driving significant increases in demand for energy efficient products – demand which Allsafe is now poised to capture.

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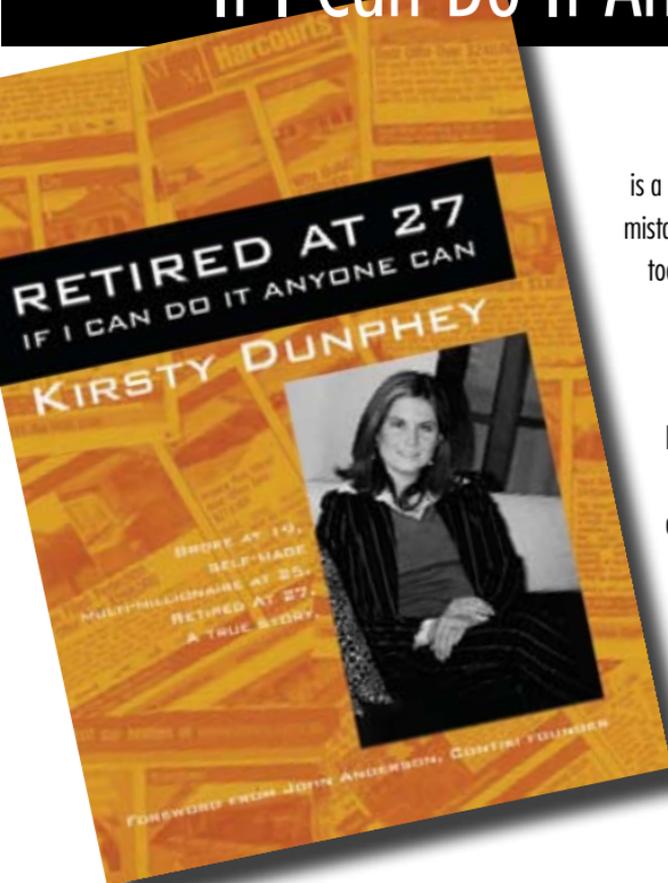
Friday 7 December 2007, in time for the final draw.

For details or to enter the draw, go to:

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Retired At 27

- If I Can Do It Anyone Can



Retired at 27 -

If I Can Do It Anyone Can

is a true story outlining the business mistakes, successes and lessons that took Kirsty from having absolutely nothing to being retired financially free at 27.

Kirsty's story showcases the fact that success is achievable and available to everyone regardless of their current circumstances. Kirsty reveals that being young, female and broke were no barriers because she had the right attitude, determination and integrity.

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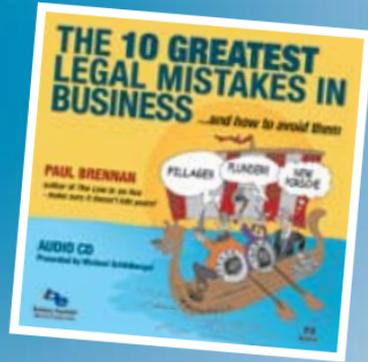
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You can avoid legal mistakes if you know what is coming.

Paul Brennan, author of *The Law is an Ass - make sure it doesn't bite yours!* lists the top 10 legal mistakes in business - plus other legal minefields. And it couldn't be easier. You can listen to the CD and then reinforce the key messages by reading the eBook.

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