

MONTHLY AUDIO PROGRAM

B **BUSINESS** **ESSENTIALS**

OCTOBER 2008



THE **EXTRAS**

Introduction



All of my media life I've interviewed politicians and enjoyed doing so. But I've done so very rarely on these programs because we've always concentrated on providing information of value to your businesses. Now however, as we approach the first anniversary of the Labor Government, it's time to establish what lies ahead. So we were delighted when Deputy Prime Minister, Julia Gillard, agreed to answer questions. The good news is that she reveals the new unfair dismissal laws will not be as draconian and as bureaucratic as in the past. The Government plans to reduce GST red tape and has other measures planned to assist small to medium-sized businesses.

Our regular economist, Professor Neville Norman, has good news for us too on interest rates. His predictions go further than most others. We should remember it was Neville Norman who stood alone in advising that rates would come down before the end of this year.

When you're in the marketplace selling your goods or services be sure you identify the constantly changing demands of your customers, says super salesman Tony Gattari of Achievers Group. If you don't, he warns, they'll quickly go somewhere else.

And be sure to look around when you need access to funds. Don't rely on the bank relationship manager who has been looking after you for many years. You could well find a better deal, says Luke Neale of Save on Bills.

As usual there's plenty more – including sharemarket and property tips, some tax advice from Cummings Flavel McCormack, and your "image".

I'm sure you will benefit from this month's program. Enjoy.



Michael Schildberger
Executive Chairman

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THIS MONTH'S

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Track 2

WHERE TO FOR BUSINESS?

Julia Gillard, Deputy Prime Minister

- We're opening 36 offices around the country to give small business people more information and to deal with government
- We need an unfair dismissal system but small businesses will have up to 12 months to assess a new staff member
- We'll also supply a simple code for small businesses to understand obligations
- This legislation will be in parliament this year
- The new system will have modern simple awards, easier for people to work with
- We've asked the Board of Taxation to look at GST compliance for small business

Track 3

ECONOMIC UPDATE

Prof. Neville Norman, Melbourne University

- I predicted the September interest rate cut almost 12 months ago against the odds because it seemed clear that monetary policy was going to bite
- The Reserve Bank went too far with the last two rate rises
- This recent decrease should have been bigger
- In the next 12 months interest rates will need to be substantially lower
- Do your business forecasts based on housing starts, car registrations and confidence indicators
- The whole financial world is watching the American economy
- September quiz question: In the Hewson Fightback! Proposals of 1991-3, containing a 15%GST, what was proposed for the company tax rate, which is today set at 30%
Answer: to put it up to 48%, as an honest response to a revenue shortfall. This shows how far we've come in many respects!

THIS MONTH'S

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Track 4

SECRETS OF PROPERTY INVESTING

John Fitzgerald, Custodian Wealth Builders

- We face a critical shortage of housing, compounded by high levels of immigration
- Rents in capital cities will increase by up to 50% over 3 years
- Brisbane and south-east Queensland are Australia's fastest-growing area
 - the place to be for business
- Australia won't experience a US-style sub-prime crisis, but the credit drought is hitting commercial property
- Don't buy high-rise units if you want to build wealth – the land component's too small
- Stand-alone suburban houses provide the best return on investment
- Be disciplined, do your homework, keep emotion out of it and go for compound growth

Track 5

SHAREMARKET UPDATE

Tim Lincoln, Lincoln Stock Doctor

- The signs are a lot more positive than a few months ago
- The latest interest rate cut, with indications of more to come, help the market momentum
- It's been a strong company reporting season with most "star stocks" remaining so
- We've dropped some "star stocks" because of debt exposure or revenue pressure
 - Data Three #3, Structural Systems, and Qantas
- Great reporting results from CSL, Flight Centre, Woolworths, SMS Technologies, QBE Insurance, JB Hi-Fi, The Reject Shop, Leighton Holdings, BHP, Incitec Pivot. Favourite banks; Westpac, St. George

THIS MONTH'S

ESSENTIALS



Track 6

TAXING REDUNDANCY PAYMENTS

Michael Jones, Cummings Flavel McCormack

- A redundancy payment can be tax-free if certain criteria are met
- The tax-free amount is based on years of service
- Criteria include that the redundancy must be at the employer's initiative
- The payment must be related to a dismissal, due to redundancy of the employee's position
- All employment must be severed, with no arrangement to continue in a reduced form
- The payment must be an arm's length transaction
- It is possible for a company owner who is also an employee to receive a genuine redundancy while remaining a director

Track 7

CONSUMERS: OLD V NEW

Tony Gattari, Achievers Group

- 15-20 years ago, the consumer had three scarcities; cash, choice & availability of products. These don't exist any more
- The new consumer has different deficiencies; time, attention to you & trust in you
- Time: I must make myself available when the customer wants me
- Attention: You must make your company memorable
- Trust: Existing customers can give you authenticity. Try video testimonials everywhere your company appears

Track 8

THE MAN WITH THE GOLDEN OAR

Howard Croker, Croker Oars

- Olympic Games success didn't come quickly – it took nearly 20 years of trial and error to switch from wooden to carbon fibre oars
- Personal contact and word of mouth have been the keys to opening doors into overseas markets
- A family member or senior staffer attends every major international rowing event
- More money is spent on travel than advertising, but that will change with a push into the US market
- Carbon fibre is a high-energy material – understanding carbon trading is the next big challenge

THIS MONTH'S **ESSENTIALS**

Track 9

SAVE ON BILLS

Luke Neale, Save on Bills

- The US sub-prime crisis has made business finance harder to get – it's important to shop around
- Various forms of finance are available – look for the one that best suits your needs
- Having your own business banker is still worthwhile, but don't accept everything they say at face value
- Do your own research on what finance is available at what rate, and seek impartial advice
- Plan ahead – borrowing decisions made in haste can be expensive for the bottom line

Track 10

GETTING TO "YES":

Simon Dowling, CMA Services

- Negotiation is something at which we can all improve
- Think systematically and analytically about negotiation. This enables you to approach it as a problem-solving exercise
- The expert negotiator must recognise and deliberately manage planning, negotiating "at the table", and review
- People perceptions, feelings, and attitudes are a key part of negotiation
- Don't under-prepare or approach the negotiation as a competition

Track 11

IT'S ALL ABOUT IMAGE

Helen Robinett, Image Quest

- We believe what we see, so image – and a good first impression – are important
 - Think of your clients – what will they be expecting of you and your business
 - The area around the face is crucial in establishing an image that sets the right tone
 - Wear clothes that fit – if you're comfortable, you'll make the client feel comfortable with you
 - For men, scruffy shoes can undo the effect created by good clothes and careful grooming
 - Don't confuse fashion with style – style is timeless, the latest fashion trend won't always give the right message
- A full-length mirror, and a quick glance in it before you leave home, can work wonders

i FOR MORE INFORMATION

about the topics discussed on this October 2008 program, please contact the relevant organisations as listed below.

WHERE TO FOR BUSINESS?

Julia Gillard,
Deputy Prime Minister
T: 02 6277 7320
Julia.GillardMP@aph.gov.au

ECONOMIC UPDATE

Prof Neville Norman,
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SECRETS OF PROPERTY INVESTING

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SHAREMARKET UPDATE

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Please contact Lincoln direct for details about its Stock Doctor fundamental analysis software or Managed Fund services
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CONSUMERS: OLD v NEW

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THE MAN WITH THE GOLDEN OAR

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GETTING TO "YES"

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IT'S ALL ABOUT IMAGE

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What's on at AIM

AIM Victoria & Tasmania

Business Essentials – Secrets for Business Success

Tony Gattari is a powerful speaker specializing in sales, marketing and negotiation who has educated thousands of business owners around the world. He is the co-author of "Marketing Success" and has contributed to "Secrets of Top Sales Professionals Exposed" and "Secrets of Marketing Experts Exposed". His articles are read by more than 200,000 people every month. He has starred in a number of business training products and has also created and presented a business building program on Pay TV.

Date: Friday 31st October

Duration: 7.00am - 9.00am

Venue: AIM Management House,
181 Fitzroy St, St Kilda

Cost: AIM Member \$68
Non-Member \$90

Bookings: Phone (03) 9534 8181 or
visit aimvic.com.au/events

AIM Victoria & Tasmania

Special Event - The Costello Memoirs with Peter Costello

Join AIM for a breakfast with federal Liberal parliamentarian and former Treasurer, Peter Costello, following the release of his much-anticipated book, *The Costello Memoirs*. With revealing anecdotes and a little gossip about politicians, public servants, national figures and journalists, *The Costello Memoirs* takes us into the engine-room of the Liberal Party during the eleven years of the Howard administration for a front-row view of life in government.

Date: Tuesday 7th October

Duration: 7.30am - 9.00am

Venue: Palladium at Crown
Level 1 Crown Towers
8 Whiteman St, Southbank

Cost: AIM Member \$95
Non-Member \$120

Bookings: Phone (03) 9534 8181 or
visit aimvic.com.au/events

AIM NSW

Breakfast Briefing - Margot Spalding

Awarded Telstra Business Woman of the Year in 2006, Margot will reveal how she and her husband established Jimmy Possum as a household name and a global brand in designer furniture.

The business was first established by Margot and her husband 13 years ago with one employee, based in a small shed. It now employs more than 130 staff to design, manufacture, promote, sell and supply high-quality furniture.

Date: Wednesday 22nd October

Duration: 7.30am - 9.00am

Venue: The Ballroom
Four Seasons Hotel,
199 George St, Sydney

Cost: AIM Member \$95
Non-Member \$125
Table of 10 \$100

AIM SA

Women in Management - A Salute to Leadership with Julie Hammer AM

Air Vice-Marshal Julie Hammer, an electronics engineer, served in the RAAF for over 28 years, in aircraft maintenance, technical intelligence, electronic warfare, and information and communications technology (ICT) systems. Julie will talk about her dynamic and at times challenging career paths and how she built her own style of leadership and management. Julie appears courtesy of Engineers Australia.

Date: Wednesday 29th October

Duration: 7.30am - 9.00am

Venue: The Adelaide Convention
Centre, North Terrace, Adelaide

Cost: AIM Member \$65,
Non-Member \$75
Member Table of 10 \$620
Non-Member Table of 10 \$720



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- Strategies to increase profits

For more information contact
Neil Flavel on: 03 9252 0800
or email: nflavel@cfmc.com.au

see further

CFMC KEY TAX DATES OCTOBER & NOVEMBER 2008

- 21 Oct** Sept 2008 monthly activity statements & annual PAYG instalment: final date for lodgment and payment
- 28 Oct** Quarter 1 (July - Sep) activity statements: final date for lodgment and payment;
Final date for electing to pay GST by instalments or to elect to report PAYG or GST annually;
Quarter 1 (July - Sept) Superannuation guarantee contributions: final date for payment to fund
- 31 Oct** PAYG withholding where ABN is not quoted and PAYG withholding from payments to non-residents: final date for lodgment of annual withholding report;
Annual GST return: final date for lodgment and payment;
Tax returns: final date for lodgment of individual, partnership, trusts, companies and superannuation funds income tax returns. For companies and superannuation funds, lodgment is required if one or more prior years tax returns were outstanding as at 30 June 2008
- 21 Nov** Oct 2008 monthly activity statements: final date for lodgment and payment
- 28 Nov** Quarter 1 (July - 30 Sep 2008) superannuation guarantee charge statement: final date for lodgment and payment.

Send in a tax problem – be in the running to **WIN A BOTTLE OF WINE!**

If you email me your tax problem I will send you an answer. If the problem is of general interest I will discuss it on the Business Essentials program (in an anonymous way). Whoever submits the tax problem that I judge to be the most interesting for the Business Essentials audience will **WIN an excellent bottle of wine from Dominique Portet's Yarra Valley winery.** That way you are ready to either celebrate or commiserate when you get the answer.



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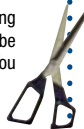
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- You are a manager in company that seems to need new ideas and new ways of growing fast – *The Ignite Program is for You*
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This is not another two day junket delivered by some representatives of companies who are presenting on a topic because their company paid tens of thousands of dollars in sponsorship for the privilege. This is a real program, delivered by people who have done the hard yards and built businesses from scratch.

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- Systemise your business to support and sustain growth
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- Earn \$10,000s or even \$100,000s in profit through only a 30 minute meeting
- How to overcome all the obstacles in your business life by having a winners mindset
- Learn powerful sales techniques that will close more sales and increase your average transaction

Peter Irvine



Peter Irvine has over 40 years experience in business at a high profile level. In 1996 Peter established Gloria Jean's Coffees franchise in Australia with his business partner Nabi Saleh, and in the space of 10 years built a business which is in over 30 countries around the world and more than 850 coffee houses.

Tony Gattari



Tony was General Manager for Harvey Norman Computer and Communications Division where he oversaw the growth of the division from \$12 million to \$565 million in 9 years.

Tony is also the co-author of ***The Pillars of Business Success***, ***Marketing Success*** and is a contributor for ***Secrets of Top Sales Professionals Exposed*** and ***Secrets of Marketing Experts Exposed***.

Other Important Details

Location: Crowne Plaza
30 Phillip St, Parramatta, NSW 2150

Day 1: Thursday 9th October (9.00am – 5.00pm)

Day 2: Friday 10th October (9.00am – 5.00pm)

To keep your investment down, we are only offering morning and afternoon tea. Being in the heart of Parramatta food district, there are plenty of places to sit down and have a great lunch.

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For bookings, please contact Erin (02) **9440 7373** (Group discounts available for 5 or more people for one company).

For more details, please visit the website: www.achieversgroup.com.au/ignite_program.html or contact Tony Gattari on **0410 538 521**

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