

businessessentials

Advice and ideas to grow your business - presented by Michael Schildberger

September 09 | Audio CD



the extras

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We are always on the look-out for people who have been successful in business and who are prepared to tell us about their experiences. We have several well-known names on our CD this month. Harold Mitchell is one of them, and Australia's leading media buyer has heaps of ideas, experience and success in business to share with us. He's had many ups and downs in his life, including alcoholism when he was young and going broke years later, but he's back on the rich list. Harold has strong views on what to do and what not to do in business. Among them: be sure you have a plan, know what you're doing and keep your staff involved. I'm sure you'll enjoy – and learn from – my interview with Harold on this program.

The importance of cash is uppermost in the minds of those surveyed recently by MYOB. But a surprising result of the survey is that a large percentage of businesses don't track their cash flow closely enough. MYOB's CEO Tim Reed advises us to seek outside assistance if we need help, but don't remain in denial. He brings us details of the survey results on the CD.

And, as we start thinking about a healthier economic climate and maybe considering where to invest, we bring you the thoughts of two experts – Tim Lincoln on shares and Nicholas Don on property. We hear a wide range of forecasts on where property's heading but Nicholas Don of Odyssey Financial gives us real figures, because he funds large amounts of property around Australia.

I'm sure you'll find value in all of our interviews again this month. Enjoy.

A handwritten signature in black ink that reads "Michael". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael Schildberger

Executive Chairman

Track 2

Economic update

Professor Neville Norman, Melbourne University

- It was a lonely feeling to predict in the spring of 2008 that the economy would recover by the end of 2009. But the Governor of the Reserve Bank now concurs!
- I can't recall such a spread of opinion about the state of the economy:
 - The doom and gloom merchants, predicting sluggish economic activity for another year, unemployment rates over 10%, interest rates staying low
 - The middlelists, predicting a mild recovery, slow growth and budget deficits for years
 - The recoverists, looking at China and the role of the stimulus packages, with worries about inflation, the return of a boom, and rising interest rates
- Beware some of the economic headlines, particularly the negative ones
- The IMF is a case in point, with huge negative swings. This has big dangers
- Watch the 6 Rs: rates, rents, resources, reforms, rhetoric and recrimination

Track 3

Winning and losing in business

Harold Mitchell, Mitchell Communication Group

- Start with a plan: update it as you go along, but be clear about where you want to go
- Take your staff with you, with your customers and suppliers they are the pillars of a successful business
- Be patient: success won't come overnight
- I was an alcoholic at 23 and bankrupt years later – now the company turns over a billion dollars a year
- For me, determination not to lose is a more powerful motivator than making money
- Work hard, know when to relinquish control, and remember you're in a marathon, not a sprint

Track 4

Marketing: think differently

Peter Irvine, Gloria Jean's Coffees

- Don't stop marketing! But in the current environment, think differently about it
- Don't try to be all things to all people, stay focused
- Try committing 100% marketing budget to one media organisation – you're likely to get a much better deal
- Think differently about the use of guarantees – they can be very effective
- Use PR but consider professional help to create appealing stories
- Don't discount without a reason, think about other ways to create "offers"
- Look at partnerships to maximise marketing opportunities

Track 5

Where the property market's heading

Nicholas Don, Odyssey Financial

- All indicators show that we're at the start of a new property cycle
- Middle Australia has returned to the market with strong clearance rates everywhere
- We've also seen rental increases annualised at about 7% - great for investors
- The top end of the market is picking up, with opportunities to buy in at 10-15% discount and good long-term growth
- The property clock: Melbourne and Sydney are pointing to 7 o'clock, right where values are rebounding
- The apartment market has good growth prospects for the next 3-5 years
- There are also good regional and niche markets – find out where governments are promoting property and population growth

Track 6

Convincing customers to buy

Tony Gattari, Achievers Group

- Traditional selling was little more than order-taking
- Then came "spin selling" which was solution-based and costly to fulfil
- There are no budgets now so salespeople must provoke people into buying
- Salespeople need to discover problems that customers didn't know they had
- Ask questions, do diagnostics, surveys, questionnaires
- The problem may be business or industry specific - find out what it is and then point it out to the customer
- Build rapport and trust, don't deliver a big sales pitch
- Salespeople must think like business owners to succeed

Track 7

Tax update

Michael Jones, Cummings Flavel McCormack

- Opportunity to get 12 month interest free payment arrangements with ATO for business activity statement debts (GST, PAYG)
- Directors are personally liable for a company's unpaid employees' withholding tax
- New directors are also liable for unpaid withholding amounts due prior to their commencement
- Specific steps are required to avoid personal penalties
- Be pro-active with your tax compliance – talk to your accountant to help clarify the information, simplify the task and reduce your costs

Track 8

Survey reveals poor cash flow tracking

Tim Reed, MYOB Australia

- The latest MYOB Small Business Survey shows 2 businesses in 5 are struggling
- A common – and dangerous -- weakness is poor tracking of cash flow
- Many business owners are reluctant to seek help
- Two-thirds of small businesses offering credit have reduced their payment terms
- Fuel prices, pressure on margins and cash flow problems are seen as the main inhibitors to growth in the coming year

Track 9

Sharemarket update

Tim Lincoln, Lincoln Stock Doctor

- The All Ords index has passed through the 4,000 mark – a welcome surprise
- The market has rebounded 30% in a couple of months – that's fast, but rebounds are often stronger and quicker at the start
- There's still plenty of upside in the market
- The reporting season is underway with some very interesting results
- Stocks of the month: JB Hi-Fi, CSL, Beach Petroleum, SMS Technology. ERA and - if we must have a bank - Westpac

Track 10

Workplace stress – friend or foe

Meiron Lees, InnerCents

- Tough economic times add to workplace stress, increasing fears about job security
- Other causes include bullying, harassment and office politics
- Some stress can be positive, but it's important to recognize the danger signs
- Practise daily routines to head off negative "thought attacks"
- Employers have a duty under OH & S law to keep stress to acceptable levels
- Clear and open communication is vital: stress feeds on uncertainty

For more information about the topics discussed on this September 2009 program, please contact the relevant organisations listed below.

ECONOMIC UPDATE

Professor Neville Norman
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WINNING AND LOSING IN BUSINESS

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MARKETING: THINK DIFFERENTLY

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WHERE THE PROPERTY MARKET'S HEADING

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CONVINCING CUSTOMERS TO BUY

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SHAREMARKET UPDATE

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www.lincolnindicators.com.au

WORKPLACE STRESS – FRIEND OR FOE

Meiron Lees
InnerGents
T: 02 9232 8828
www.innercents.com.au



New course dates
are now available



no limits

What's on at AIM

AIM VIC

Book Launch - 'Living Large' by Harold Mitchell
Meet Australian business icon Harold Mitchell as AIM VT presents the launch of his new book *Living Large*. Join us for drinks and nibbles and hear some of Harold's great stories, live and personal. *Living Large* traces his journey from the sawmills of Gippsland to Melbourne, his brave decision in 1976 to start his own media-buying operation, eventually to become Australia's biggest media buyer. He outlines his philosophies about life and business, and offers guidance for young executives trying to make it in the jungle.

Date:	Thursday 3rd September
Venue:	AIM Management House, 181 Fitzroy Street, St Kilda
Duration:	6.00pm - 8.00pm
Cost:	AIM Members: \$30 Non-Members: \$50 *Event vouchers redeemable

AIM VIC

Leadership Branding – Step Up, Stand Out!
Leadership branding takes you into the world of personal brand image management and shows you how to maximise all possibilities for career, business and personal success. Jon-Michail is a leading expert in personal and corporate branding, and founder and CEO of Image Group International. Join Jon-Michail for a full-day workshop as he helps you discover and put into action your personal leadership brand. Guests during the day will include AFL legend, Kevin Sheedy and CEO/ Founder of Healthy Habits, Katherine Sampson.

Date:	Thursday 10th September
Venue:	Melbourne Cricket Ground, HCA Harrison Room
Duration:	8.30am - 5.00pm (incl. lunch)
Cost:	AIM Members: \$595 Member Group: 2 or more - \$550pp Non-Members: \$695

AIM VIC

Outstanding Women's Series with Naomi Simson
Hear the story of one of Australia's fastest growing web businesses from the founder and Chief Experience Officer herself. Naomi is a winner of the NSW Business Owner and National Innovation categories in the 2008 Telstra Business Women's Awards, and a finalist in the 2008 Australian HR Awards. Naomi is an inspiration. She will share lessons she has learned about entrepreneurship, employer branding, innovation, employee engagement and the bottom line.

Date:	Friday 11th September
Venue:	RACV Club, Level 17, 501 Bourke Street, Melbourne
Duration:	7.00am - 9.00am
Cost:	AIM Members \$80 Member Group Bookings (table of 10) \$760 Non-Members: \$105 Non-Member Group Bookings (table of 10) \$1050

AIM WA

Leadership, Change & Challenge in the Financial Services Industry

John Symond, founder and Executive Chairman of Aussie, is widely credited with bringing innovation and competition to the Australian home lending industry. Since its inception in 1992, Aussie has grown to become Australia's leading mortgage broker, with a loan portfolio worth \$20 billion, 220,000 customers and 500 Mortgage Advisers in both city and country areas. After creating a series of firsts in Australian home lending, Aussie has added car and personal loans to its suite of services.

Date:	Tuesday 8th September
Venue:	The University Club of Western Australia
Duration:	7.15am - 9.00am
Cost:	AIM Professional Members: \$55 Affiliate Members: \$88

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Cummings Flavel McCormack are accountants who provide accounting, auditing and business advice to business owners. Cummings Flavel McCormack also provides tax consulting services.

Tax Consulting

Tax law is relevant to every major business and investment decision. Understanding the latest developments in tax is difficult.

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We have significant breadth of experience, having worked with successive governments in tax law development and holding key positions on advisory and education committees with professional tax bodies.

David Kent, Michael Jones and Neil Flavel lead a group of dedicated taxation professionals.



CFMC KEY TAX DATES FOR SEPTEMBER AND OCTOBER 2009

21 Sep	Aug 2009 monthly activity statement: final date for lodgment and payment
21 Oct	Sep 2009 monthly activity statements & annual PAYG instalment: final date for lodgment and payment
28 Oct	Quarter 1 (July - September 2009) 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
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 Income tax returns of individuals, partnership & trusts: final date for lodgment Income tax returns of companies and superannuation funds with one or more prior year tax returns outstanding as at 30 June 2009: final date for lodgement

Let's work together to reduce compliance costs!

Consider these suggestions:

- Review your tax position in April or May, before the end of the year.
- Maintain clear records and supporting documentation for significant and unusual items and major purchases. You may want to present them in a way agreed with your accountant.
- Clearly identify private expenditure or private usage.
- Reconcile bank balances to 30 June bank statements.
- Set up a tailor made chart of accounts. A proper chart of accounts enables your particular transactions to be properly categorised and will reduce double handling, helping both quarterly activity statements and year end compliance.

CFMC can help you reduce the costs of tax compliance by making the process more efficient. Don't leave the task until the last minute!

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E: enquiries@cfmc.com.au

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- Personal insurances

Odyssey also advises on property investment. An Odyssey adviser will be able to assist you with all aspects of property investing including strategic funding and acquisition.

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As General Manager for Harvey Norman Computer and Communications Division Tony Gattari oversaw the growth of the division from \$9 million to \$565 million in 9 years. He has been the Managing Director of a publicly listed company and CEO of a successful technology company.

Today Tony is a powerful business speaker and author who educates thousands of business owners around the world.



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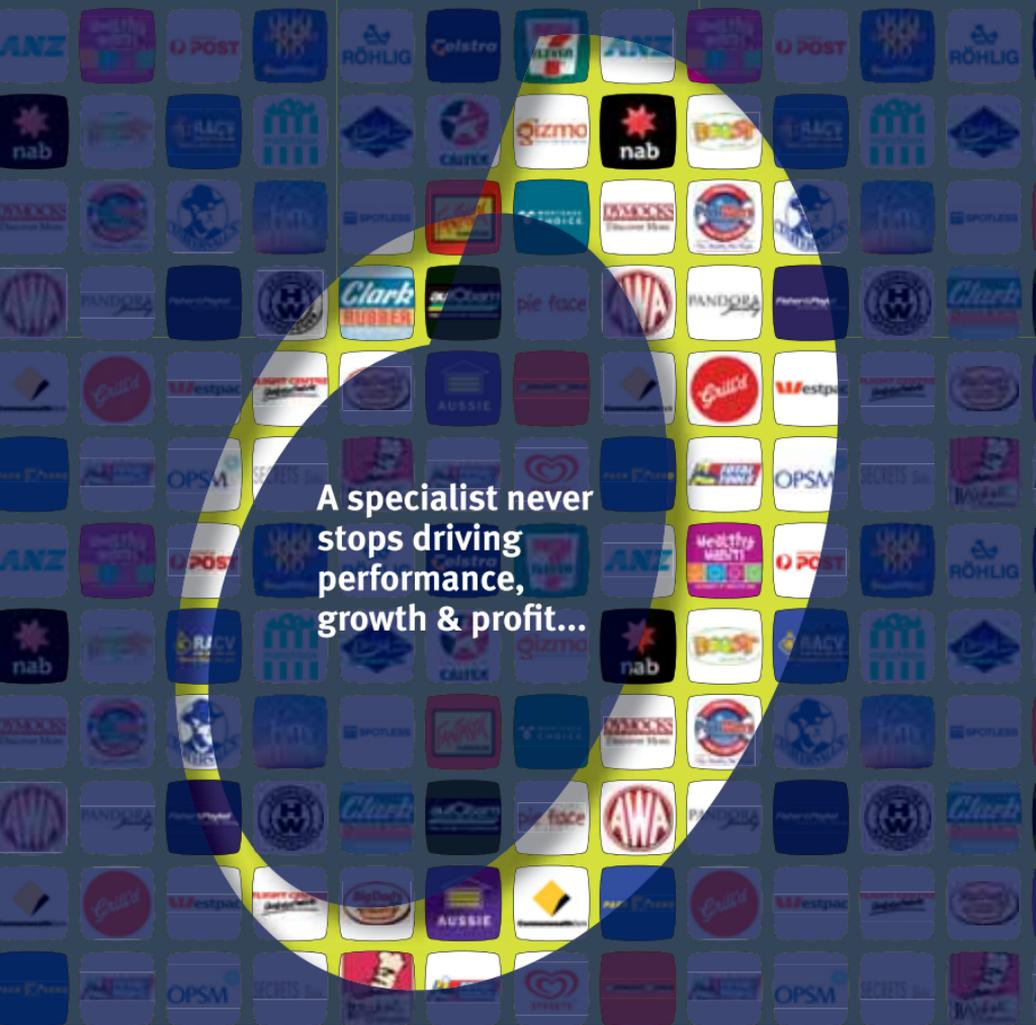


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