

# Life of a Daymaker

I am writing this on my way back from the E0 learning conference in Buenos Aires, Argentina, where I participated with all my colleagues and friends to see a great conference come together. I want to focus on two speakers that were really inspirational and knocked it out of the park. The first was Rick Kash of The Cambridge Group, whom I've written about before, but seeing him in person was super special and why I am proud that I invited him to speak to us. The other was David Wagner, whose story was extraordinarily inspiring.



David's book, Life As a Daymaker, was born as he was running his beauty salons and creating an exceptional experience for people as they came into his specially-designed salons, and even now are treated to having their day made, in one way or another. David tells his story of how he saw the difference of changing people with the new looks, pampering, and the personal treatment and care he gave to each person.

This became especially clear to David in two main examples he gave. First was a young lady who came in because she was getting married and wanted a new look for the wedding. David gave her the new look she desired, and helped her to find her confidence, as well. Later, when he found out the wedding was called off and that she'd kicked him out, he was astounded that he had helped her walk away from a mentally and physically abusive relationship.

On another occasion, a regular customer came in weeks early for a visit and said she just wanted to look good and feel better about herself. He just felt like she needed some additional attention, so he gave it his best to make that 30 minutes as special as possible. David got a note from her a while later thanking him for making her feel so special – that the reason she was coming in was because she wanted to look beautiful as she ended her life that evening. She explained that in their time together, she had decided not to go through with it. What a difference that 30 minutes had made!

David went on to tell other examples of how to make someone's day and to do it for little or nothing in cost. He spoke of buying a present for his wife, Charlie. Struggling to find the right gift, he bought a picture frame for \$1.99 with two kids on the beach and wrote a poem using the letters of his wife's name to start each line. He also encouraged us to look to his book to pull out other examples.

David closed the presentation by sharing with us his mission of helping cancer patients and their families cope with their illnesses. His salons have opened their doors to 4,000 people going through chemotherapy. By coming in with their families, he offers a special experience of letting them participate, not only in the haircut, but also in the private photo-shoot that is held in the guest's honor. He then turned inward and began to share of his recent experience of being diagnosed with bone cancer in his hip. He invited his wife, Charlie, and their two young daughters to the salon to partake in shaving his head, which he explained made the experience easier on the family. He showed pictures of his struggle and his healing, spoke of how going through this had changed his life, and how he had beat cancer and is now in remission.

David's amazing story was greeted with a standing ovation. We all left that night knowing we have the power to affect those around us by being a Daymaker with every action.

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# Key Parts to a Great Strategic Plan



As I head to Buenos Aires for the EO Argentina University, I am excited to see how it all unfolds. Unlike other university events I have been to, I was on the committee that put this University together. So in a sense, like your own business, you get to see a creation come together that you had a hand in making happen. I look forward to seeing all my friends and experiencing a great conference together.

Recently, I wrote a blog on bad strategy, so I wanted to make some points of what goes into good strategy. If you want to dig into any of these points in more details, there are a lot of good books out there. One that gives a good understanding and overview of each point discussed below is Stephen Lynch's book Business Execution for Results.

Here are what I feel are the key areas that should be part of an overall strategic plan:

- What is your vision for the future? (This could be your BHAG or long term direction on where you want to take the company.)
- What competitive forces will determine how your industry is likely to play-out in the coming years (competitors,

new entrants, substitute offerings, suppliers, customers) – and what moves do you need to make to address the trends in these areas?

- What macro forces will impact your business environment (political, economic, social, technology) – and what moves do you need to make to address the trends in these areas?
- What geographic areas do you plan to serve, and how will you access those locations?
- Who is the ideal target market/customer for your brand?
- What is your target customer trying to achieve, and how will you address this need (now and in the future)?
- What core activities will you perform (now and in the future)?
- What non-core activities will you stop doing? How will you strategically position your brand in the marketplace?
- What benefits will you offer?
- What blunt, overt promise will compel your customers to take action?
- What key strategic moves do you need to make within the next 3-5 years to position your firm for future industry success?
- What goals and milestones will measure your success along the way?
- What is the current reality that you must deal with?
- What projects will you implement in the coming quarter to address your current reality and/or move your business in your chosen strategic direction?
- What Key Performance Indicators will track and drive the success of your current business model?

With answers to these questions, a lot of the guess work will be out of the way. Ultimately this will put you on the path to a successful company. Does your strategic plan answer most of these questions?

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# Embrace the Collective

When I was at the E0 Nerve conference in Charlotte last April, I met Captain David Marquet, who spoke to us about his perspective on Leading. He discussed his experience leading a nuclear submarine and how as a leader, he felt he was expected



to have all the answers. And ultimately, he realized that was not a realistic expectation. David learned this lesson the hard way when he was commanded to change from his original submarine he'd spent one year on, to a new vessel.

So what is most interesting about this? David is an advocate for “embracing the swarm,” which author Kevin Kelly discusses, as I will do in a future blog. “Embracing the swarm” is another way of saying that no one individual is as smart as the collective.

I've been thinking about this a lot, relevant to the interface of [bouncedit!™](#), where the gathering of opinions creates a higher level of feedback and knowledge than just asking one person's opinion. The importance here is gaining a large focus group. The more opinions, the more reliable the “market place” answer.

I was not quick to write on this topic because I thought it may not be easy to explain. And I knew it would be hard to compare to the message I heard David share with such passion and experience. He has now created a white board presentation,

during which he discussed while someone created a visual. I see this as a fun way to get an important and relevant message across. Enjoy the video.

## Inno-Versity                      Presents: “Greatness” by David Marquet

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## Delivering Happiness to Employees and Customers



Last week I went to the E0 Insignia/Quantum Leap Campus Conference in Las Vegas and met up with about 140 E0 members that are in regional forums around North America. It was a great opportunity to hang out with incredible entrepreneurs, share experiences, learn, and

grow together. I was fortunate to meet E0 Member, Mario Stadlander, who lives in Vegas. We discussed the opportunity he had to take his forum to tour the new Zappos headquarters. After our conversation, he offered to set up a tour for us during our stay.

I was excited about this opportunity because I have met and heard Zappos' founder and CEO, Tony Hsieh, speak a few times

at the Fortune Growth Summit and an E0 event. I've heard him speak about the culture of Zappos and how their business approach is entirely customer focused. In his best seller, Delivering Happiness, he says that their key to success is giving the customer service reps the freedom to really connect with the customer by spending as much time as they want with each customer. The belief is by doing this, they create a WOW experience for the customer.



Tony told a story of being out with friends and wanting a pizza. When they couldn't find one, the group called the Zappos customer service line and asked them to help them find pizza. Without knowing they were with Tony, the representative said, "Well let me see if I can help you." By the end of their discussion, the representative had given them several local options for great pizza!

Before arriving for the tour, I'd learned that Zappos had moved their offices to a very attractive former government building in downtown Las Vegas. They are currently providing public tours. Our tour included the full campus, from the human resources area, to the call center, to the merchandise buyers, to the group of 40-some people that manage Tony Hsieh's emails, and even included "Monkey Alley," where the executives like Tony hang out. We quickly learned what all the

buzz was about and why it is such an exciting place to work. The culture they have created is truly amazing. All the areas, even including the human resource area, is in an open floor plan with exposed structure, mechanical and electrical systems. This allow each space to be reorganized and programmed as desired by the users. The space isn't broken up by walls to allow free flow and collaborative creative thinking. And like the entire campus, "Monkey Alley" and Tony's desk are open to all.

The only person in the company with a true office space is the on-site life coach. Her office is private for the nature of the program and sensitivity of the information shared. She offers a voluntary program to help those that are looking to grow and better their lives. We met with her to hear her philosophy's first-hand. It was very impressive to hear her discuss how she works intimately with people to help them along with the full backing of all resources that Zappos provides.

The facility also includes some small, private rooms for quiet phone calls, gathering spaces, referred to as "Think Tanks," and larger, more corporate conference spaces. They have numerous break rooms all over the building that have a team dedicated to stocking the rooms with healthy foods and drinks that employees don't have to pay for. For a hot meals, a cafe is provided where meals are purchased for as little as \$3.

The place oozes with an excited and friendly group of people. As workers passed by our tour, they all spoke to us with welcoming smiles. It was obvious that they were very proud of their work place and wanted to share with us the environment they get to enjoy on a daily basis. If you find yourself in the Sin City, you will not be disappointed if you make the opportunity to stop by and tour the Zappos' headquarters.



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# Make a Change – Make a Difference

One of the things about being an entrepreneur is the ability to affect change. Change the way it is done, change the way something looks, change the way everyone thinks about something, change the way we can be healed, change the way we live our lives, and more change, change, change! This is very empowering, and when you have it in your life, you feel how rewarding and motivating it can be.



In an interview in 1995, Steve Jobs discussed having the power to change things when he was at NeXT. He had success as an entrepreneur, but not the success he was getting ready to have with the iPod and iPhone development, starting around 2001. Even with the setback of being removed from Apple the first time, his passion to change and make things better was never stifled.

It is inspiring to know that everything around us is made up by others and we can go out and “poke life,” as he says, and make a dent in things. Making the mistake of believing that life is just there and that we are stuck living it as it comes is not the way to maximize one’s potential.

Check out the interview and be reminded that we have the power to change, and go out and make a difference in your own lives

and the lives of others. Steve Jobs did this on a level that may seem hard to compete with, but even a small change can have a huge impact.

### [Steve Jobs: The Most Important Thing](#)

What are you doing to poke life and mold it into something better?

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## [Bitter Sweet for Brock Candy](#)



A few weeks back, I wrote a [blog](#) on the experience I had going to the Volkswagen plant in Chattanooga, TN, with my [E0 Forum](#). Along the way of doing the tour, my forum mate, BJ Miller, met a gentlemen by the name of [Frank Brock](#). Frank happens to be of the Brock Candy Family of Chattanooga, which was founded in 1909. He was friendly to chat with, and when we told him we were an entrepreneur group and asked to spend a few minutes with him, he was very gracious to do so.

Let's first share a little about the Brock Candy Company. Its founder was [William Brock Sr.](#) who, after traveling a lot, settled in Chattanooga. He invested, with some associates, in the Trigg Candy Company, but bought them out in 1909, and named the company after himself. He focused on making penny candies, and sold to his relationships he made as a traveling

salesman to his former clients in small country stores.

The company had an interesting history, and went through quite a few challenges over the years that were turning points of the company. Frank pointed out three of them to us, and described how they went through them.

The first challenge was during World War I, a time in which sugar rationing occurred. This hampered the business to get enough sugar to make the amount of candy they needed to keep the business running. To substitute for some of the quantity of the sugar, Brock Candy put peanuts in a candy bar and added a light coating of chocolate. This five cent bar soon became a big seller, and is what is known today as the Baby Ruth bar.

Then, after they were hit hard in the Great Depression, Brock Candy needed capital to continue running its operations. At that time, it wasn't like it is now with so much bureaucracy, regulations and paperwork. Things were done at that time based on relationships, and with the great relationships that Brock Sr. had, he was able to get the money he needed to keep his business going with a hand shake.

The last challenge was trying to compete as times were changing and the rise of supermarket chains began eliminating the independent rural stores. The company depended on this network of small outlets to sell its candy. Also, the bigger candy companies, like Hershey and Mars, had more of an "in" with the supermarkets, pushing the company to change to survive. They stopped with focus on the penny candies, and went to a more expensive candy. You know them today for Chocolate Covered Cherries, Old-Fashioned Crème Drops, and Gummy Bears, which was a much more profitable outlet for them, and proved popular in the market place.

Brock Candy went on to become a public company in 1993, and after only a year, was taken over by Chicago's Brach to become a private company again. The new company was named Brach and

Brock Confections, Inc., and was headquartered at the facility in Chattanooga. The merger put them just under the big boys, like M&M/Mars, Hershey and Nestle in the American candy business. Then in 2003, with \$340 million in sales, they were bought by Barry Callebaut AG, a Zurich based company, to become the world's leader in cocoa and chocolate products.

So I guess sometimes you just don't know what lessons you will find in a friendly face. Thank you, Mr. Brock, for sharing your family history and some tough experiences of an entrepreneur to adapt and survive.

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## Hooray...I Failed!

What have you failed at lately? Do you brag about it to others? I don't know about you, but I have tried a lot of things and I have failed at a lot of things. Most people think that it reflects badly on you to fail and then to share what you have failed at doing. I was that way when I was younger and was embarrassed and shy about discussing things that didn't go so well. Now, I don't feel that way, because I realize that these attempts have led to my successes.



How do you become successful if you don't try? Ask anyone that has achieved success and they will tell you, it was not a straight line from where they started to whatever place they

realized their relative success. They will tell you it was filled with a few big failures, or maybe a bunch of small ones, but whatever the case, there were failures along the way.

Let's look at some of mine. I started a comic business when I was about 12, and invested in a bunch of comics that didn't sell. Then my brother, Mark, and I bought some equipment (\$15k) to take pictures and place the pictures on tee shirts, cups, calendars, and just about anything. That took a while to pay off. My partner in the financial planning business, Robert, and I started an investment newsletter that went for naught. Then, even with the success of our first mutual fund, I had the idea to start the iFund, which was the first fund run by the shareholders. That was about \$500k down the drain.

My current partner, Rich, and I invested in the franchise 1-800-Got-Junk that couldn't compete with an established brand in our local market. That was a lot of headaches and an expensive education. Then a few years back, there was the software application, called FlockGPS, that didn't make it, which was a side project within our software company. So as you can see, failure is a part of the process. And if you are not failing, in my opinion, you are not going anywhere.

This was supported in a video I saw posted on LinkedIn recently, reiterating my point. Sara Blakely, who is the founder of Spanx, talks about how her dad asked her at the dinner table, "What have you failed at today or this week?" He spoke like it was something to be proud of, and if you were not failing, you were not pushing hard enough. Sara pushed hard enough to become the youngest female billionaire in the world, doing it all on her own. Check out her [CNN interview](#).

I remember listening to Jim Clayton of Clayton Homes, at one of our E0 events. He sold his company to Berkshire Hathaway for something like a billion dollars when he said, you will not be truly successful, until you have had at least one

bankruptcy. That was something that made me go hmmm.

So...what have you done this past week, month or year to fail?

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## The Dark Secrets of Entrepreneurs



Not a lot is written about how hard being an entrepreneur can really be, so it was very nice to see an article about the deep struggles that those at the top, who running a business, can deal with at times. The article is called [\*The Physiological Price\*](#)

[\*of Entrepreneurship\*](#), and I thank my E0 forum mate Vonda White for sharing.

I think we don't see a lot of this because the entrepreneur is frequently glamorized. You don't often hear about the struggles and the ones that don't make it after the hard work, sacrifices and money have been invested. Where is the glamor in that story? It is very lonely in that position because you can't really talk to anyone about your struggles. If you do, then employees, customers and service providers will run from you and everything will fall apart anyway.

It was interesting in the article how they shared the story of Bradley Smith, whose company's sales are now at \$32 million, has grown 1,400 percent in three years, and is now 310 on the

INC 500 list. What happened before that is what makes it interesting. In 2008, Bradley was consulting with clients on their debt when his debt had skyrocketed and he would think listening to them, "I've got twice as much debt as you do."

With the 401(k) cashed in, a \$60,000 line of credit, his Rolex sold, and going to his dad to ask for money, Bradley was in a bad situation. He and his wife would drink a \$5 bottle of wine for dinner and contemplate how close they were to the edge. Then, his wife got pregnant with their first, and Bradley would stare at the ceiling at 4 a.m., wondering when it would turn around.

Bradley did turn it around, but as you can see from various other stories in the article, some have gone to the extreme of committing suicide, with even more contemplating it as their only way out.

This is the struggle that those on the outside don't see and those on the inside find it hard to discuss with others. I find it somewhat insulting for those on the outside that vilify the successful entrepreneur and make it look like either they got there by being born to success, or because they are privileged in some way. In my experience, both scenarios are rare and most entrepreneurs work hard, sacrifice and push it to the edge to get the success they want. It is just that everyone around us only sees the material things and good life, and not all the gut-wrenching agony that we have gone through.

One of the powerful aspects about The Entrepreneur's Organization and the Forum meetings that go with them, is that they are safe outlets for members to share and help each to get past these situations. Vonda said it well when she shared the article, "This is an important reminder why Forum is so important – so we can share the really deep, dark struggles of being an entrepreneur."

As an entrepreneur, how are you dealing with the loneliness and the struggles of running and leading a company?

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## An Inside Perspective

Something that is always a great experience, and chock-full of learning, is taking a tour of a business. If you have a fascination for business like I do, going into and getting a hands-on tour of a business,



especially by the founders, is an amazing learning tool. We do this with the Entrepreneurs Organization E0 at our conferences in the different cities that host us. We also do this in the local chapters, getting in to see businesses where our members may have connections, which allows us to get the quarter tour, instead of the nickel tour.

We have done this in Knoxville with the owners of Jewelry Television, with Michael Strickland, founder of Bandit Lights, and with Jim Clayton, of Clayton Homes. These all have been amazing experiences and I always come away with something that is profound with each one. Well, we did it again this past week when my E0 Forum group went on our annual retreat in Chattanooga, TN, where we visited the Volkswagen Plant that was finished and went online there a few years back.

This tour was extra informative and exciting, even though we



didn't get the founder or owner perspective. All of us in the Forum were pretty much blown away at what they are doing there to be classified as the most technologically advanced plant in North America. I will give you a few bits of the highlights that I got out of the tour and perspective as to why it was so impressive.

This 2 million square foot plant is LEED Certified, which means that it meets the highest standards in many areas, cost less to operate and increases the efficiency of the building. They reduce water and energy consumption, which was apparent to us because they don't use air or heat in the building. The insulation they use is extreme and the roofs are made with some light-colored, reflective coating that allows this to happen. We were very comfortable in the plant when the temp outside was 85.

In addition, they use their rainwater to flush all the toilets and the toilets flush at .8 of a gallon. The tiles on the floor are made out of recycled coke bottles. They have their own special academy that is connected to the college programs in the area, and when you graduate from the academy, you are guaranteed a job. The plant comes with a fitness director to set up workout programs, and provide yoga and other boot camp type of workouts. The plant pushes out 150,000 Volkswagen Passats a year and has the capacity to make three different models and up to 230,000 cars.

Lastly, the plant is not unionized, which according to the tour guide, the people are very adamant about remaining non-union. A few have left Germany to work in this plant to get away from union structure. The plant has more 33,600 solar panels on 65 acres that can generate up to 12.5 percent of the plant energy. The most exciting thing about walking around was seeing the people work with the robots, which at times, felt like we were in the movie Transformers, given the size and sounds. They have dashboards everywhere to allow the teams to see exactly where they stand in their respective area of

staying on track.

This was a great learning experience to see high performing teams in action and to see how technology and people working together can create a solid energy and environmentally conscious productive environment.

Bounceit!™ update: We got an [article](#) this week in [Nibletz](#), and we have been working to get in front of more people to expose them to the new app and to get feedback to help improve it. We are working to raise money to continue to improve the app and market it our target audience.

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## Not Scaling – Part 2: Starting Small to Build Big



The big news to share this week on bounceit!™ is that the app went live in the app store, after a long period of creation, and we are starting the process of scaling by not scaling, as was discussed in [last week's blog](#). This week will be focused on getting a small group to use and try it out on all devices to make sure everything is flowing

well. Then, we will move to our local and social media friends to give it a try and to share with others, if they like it. And finally, on to the rest of the world.

Well, sort of to the rest of the world. Some people think big launches matter and they want to create a big event with a lot of hoopla, excitement and media attention. After this happens, then everyone will know about it and you are set to go viral. We thought about this approach a while back and decided against it. Interestingly, Paul thinks that this is not the way to go either. He says founders like to think that they have a great building and everyone who hears about it will want it. Even the best of the viral applications don't start this way. He also says it is part laziness, that with the big launch, the hard work of creation is done and you can sit back and watch your amazing creation take off. This will not happen and will require getting users one at a time.

Another thing that usually doesn't work on the way to scalability, is partnerships. Paul's experience is that they don't work for startups in general, in the form of getting the big break. They usually take lots of work and don't lead to the scalability that was hoped for in the beginning. That is where you are trying to be scalable. When you get with organizations or other companies to work on building a core group of users in a certain demographic to experience the feedback, then this approach is doing the non-scalable with a few users at a time. We will be doing this with the University of Tennessee and with Regal Cinemas.

We will move in small, non-scalable aspects first, to build a presence with certain groups that we are targeting.

Paul says that what matters is not the big launch or the big partnership, but the ability to delight your customers is the key to getting bigger. Take a handful of people, make them really happy, watch what they do so you can learn, and they will get friends like them taking you further down the road.

So our plan is to go slowly with our initial roll-out to build a core group of users in our local community and test the app with the different ways new people may think about using it,

and also to make sure all the software and hardware running the app will handle the pressure of hundreds of pictures and votes, and then thousands.

Bounceit!™ will have announcements locally next week in the press and we will have an article in Nibletz, which has agreed to use bounceit!™ to get feedback on speaker choices for their two big conferences.

This is an exciting time for founders and also a time not to sit back and wait for things to happen. Entrepreneurism is about getting out and creating the success you want!!