

# Go With the Flow...

Are you choosing [high growth](#) or low growth?

How often do we make a conscious decision to put ourselves in the path of opportunity? Do you consider this when choosing your type of business or [market segment](#)?

I spent years in the investment world, and one thing I can tell you is that around 85% of your returns are determined by the [asset class](#) that you choose to allocate money towards. For example, if you choose [stock](#), [bonds](#), or [real estate](#) as one of your asset classes, your portfolio manager, company, track record and all the research will lend little towards your return. Ultimately it's the inherent return of that asset class that determines the majority of what you return.

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## What's the Pattern Here?

Have you ever noticed how things work in cycles with observable patterns? As someone whose strength is observing and seeing patterns, I find it helpful to know that these patterns exist and to see if this awareness generates some form of opportunity. This may be because I have that entrepreneurial instinct that draws out this intrigue, but whatever the case, they seem to pop up everywhere.

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# The S Curve

On my trip to Canada for the [EO](#) Conference, [Peter Thomas](#), who I introduced in the last blog, (founded Century 21 in Canada and took it to 9 billion in sales) spoke to us about the [S Curve](#).

I spent many years in the investment world and back in the early nineties I went through the [Chartered Financial Analyst](#) (CFA) program. We discussed the [S curve](#) in depth, which depicts the life cycle of a business. With the S tilted forward a little, you can see how a growing company starts out flat for a bit, then takes strong spurt upward and then levels off and starts to decline. This is the life cycle of most businesses, usually lasting 5 to 7 years. Hang on for a second if you think this may not be relevant to you.

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## What Disruptive Technology is Sneaking Up on You?

This week when I was [reading about](#) all the trouble that [Netflix](#) is experiencing with their pricing, it got me thinking about all of their success and how they got their start. Did you know that back in 2000, Netflix founder [Reed Hastings](#) went to [Blockbuster](#) and proposed running an online brand for them? They laughed at him, so he went out on his own. Now look at all that has transpired. Blockbuster is going sneakers up, while Netflix has become the [single largest source](#) of web traffic in North America this year.