

Have you ever thought about...

... doing everything yourself?

FOSSIL SUCCEEDS by doing everything itself.

Fossil Inc. loves to use vintage images from the 1950s, and the company's business strategy couldn't be more retro: Want it done right? Do it yourself.

Designing, manufacturing, retailing, advertising, graphics, architecture, factories in the Far East -- Fossil doesn't just tap these specialties and resources, it owns them.

In an era of the virtual corporation, in which every service imaginable is often outsourced and subcontracted, Richardson-based Fossil has emerged as a one-stop shop for fashion and design.

It's an expensive, labor-intensive proposition, demanding just the right eye for trends.

Companies can easily grow too fast or reach beyond their competency, and when the economy turns, they're exposed.

Not Fossil. Most of its competitors struggled last year and retreated to survival mode as the recession deepened. Fossil reset expenses early and then grabbed for market share, confident that consumers would snatch up its new designs.

The company ended the year with \$1.5 billion in sales and a record \$139 million in profits, continuing a string of profitability that dates to before it went public in 1993.

The real rush came in the fourth quarter, when Fossil's net income jumped 51 per cent and direct-to-consumer sales (as opposed to its wholesale business) rose 22 percent.

In the past 12 months, Fossil's stock price has almost tripled. ■

SOURCE NOTE: by Mitchell schnurman@star-telegram.com

1-MINUTE TIP



THE REALITY IS THAT WE HAVE THE POWER TO CHOOSE THE LIFE WE WANT. At any time, we can choose to change. We all know people who have transformed their lives through the power of choice and so can you! It's not easy, but it is possible. We all know people who went back to school, who started a business, who made a decision to live the life they truly wanted. That potential is inside each of us.

BUSINESS

ALERT!

Hands-on help that works Vol 11 No 1

Communicating

What's wrong with corporate memos?

by Jim Ylisola

This important piece of internal communication needs an editor's guiding hand

PUT ASIDE YOUR newsletter for a moment. Forget about your intranet site. I need to talk about a piece of communication that might be more important than any publication.

It's urgent and it goes out daily, sometimes many times a day. It can hit all audiences, or only a select few.

That's right. I'm talking about the infamous corporate memo. Memos have become a symbol of corporate bureaucracy. I read them with a sense of dread, when I bother to read them at all. And when someone asks, "Did you get my memo?" I stammer and stutter and say I did but haven't had a chance to read it. If I can make one overly-generalized statement about memos, it would be this: they need work. A lot of work. I've looked at quite a few memos over the years, and what I found isn't pretty. Memos have a lot of issues; among them:



• **They're way too wordy.** A memo by its very nature is supposed to be brief, as in "here's a quick update of what you need to know." But most tend to use more words than are necessary and memo writers tend to pile on more jargon and corporate-speak than any self-respecting editor would ever allow in her publication.

• **They're poorly organized.** Many of the memos I've read begin with a long dissertation on the purpose of the memo or a lengthy background on the topic at hand. That suggests that readers will plow through all that stuff to get to the meat. **They won't.**

• **What's the point?** Too often, you just can't tell. The lead doesn't tell you, because it's too busy setting up what it's about to tell you and then never does. Busy managers, who are probably skimming the thing anyway, have trouble locking their eyes onto the sentence or paragraph that tells them why they should care.

• **They're too pompous.** The voice is all wrong. A memo can take on a life of its own and before long it reads like

someone got really drunk the night before and decided to pontificate on the state of humanity — or declare martial law.

• **They lack courage.** Memos tend to shy away from bad news even when their only purpose is to deliver it. They hem and haw and shuffle their feet, then start mumbling something about 'involuntary separations' or changes in company policy or structure. The best managers combine solid organizational skills with an ability to motivate people, listen to their concerns and communicate clearly. Some managers are born leaders and people trust them to tell it like it is. But many others are people who may know what they're doing but aren't very good at directing anyone else.

That's where you come in. Manager memos exist to help people tell stories, whether it's about layoffs, a new work schedule or this year's summer picnic. Whatever it is, it's your job to make the memo succeed, even if you're the only one saying, "Hold up! This isn't ready yet."

Want to be a good memo editor? Treat memos like your best online content, whether they are delivered on paper or through e-mail. The usual rules apply:

1. Craft strong headlines, leads and subheads. Think of manager memos as hard-news stories, requiring newsy leads, as in "Here's what's happening," or "We're doing this, so here's what you have to do" and "Here's what you need to tell your people."

2. Use bullets. Memos exist to be skimmed and scanned. Think about your audience: managers are all about making lists, so give them useful ones. Provide the steps they should take, or offer the talking points they need for their group meetings, in the order they need them.

3. Write in an active, conversational voice. The memo is a substitute for a direct conversation

Concluded on page 2

THE BEST WORKER LAWSUITS are the ones that never get filed. Take a look at these guidelines from three employment attorneys:

1. Update policies against discrimination, harassment and retaliation with fresh examples of prohibited acts, detailed reporting and resolution procedures, potential penalties for violators, encouragement to report abuses and forms that all workers must sign acknowledging policy receipt.

2. Promptly investigate all allegations with trained managers following fair and consistent procedures. Add 'commitment to equal employment opportunity' to supervisor job descriptions.

3. Record all efforts to eliminate workplace abuse: document prevention initiatives, investigations, disciplinary actions and any instances when workers decline to pursue complaints.

4. Use info from exit interviews and employee surveys to correct inappropriate supervisory behavior.

5. Consider offering larger severance packages to terminated workers who sign general liability waivers.

6. Require managers to pass along ADA accommodation requests to HR.

Reinforce the edict by explaining how much a related suit could cost.

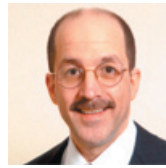
7. During training, cover every EEOC-protected group. Anti-discrimination sessions should take gender, race, color, age, national origin, religion and military status into account.

8. Mention possibilities instead of making promises when discussing potential promotions and pay raises.

9. Document worker problems by listing actual behaviors ("Failed to show up on time") instead of general complaints ("Doesn't seem to try").

10. Inform employees they have no expectation of online privacy in the workplace as part of your Internet use policy. Consider scheduling regular purges of non-essential computer files. ■

SOURCENOTE: Adapted from DESIGN FIRM MANAGEMENT AND ADMINISTRATION REPORT



Mark Desrosiers

The way I see it...

Go beyond reasonable

Consumers have a world of choices for even the most mundane purchases.

We have a dozen grocery and convenience stores near us. There are pages of dentists, doctors, lawyers and accountants in the phone book. My website is hosted by one of thousands of hosting services around the world.

So what makes people go out of their way to do business with you?

Recently, a friend told me about a wonderful experience he had when GM agreed to pay for work on his vehicle even though it was 35,000 miles (!) out of warranty.

In a less dramatic story, Toyota recently serviced the air conditioner in my wife's car even though it was over the warranty miles. Those stories turn customers into "fanatics!"

I've often told the story of Fiddler's Green, a golf shop in Eugene, Oregon that brags of having the largest on-course pro shop in the world. People drive hundreds of miles to buy golf clubs, bags and accessories from "Fid's" because of their extraordinary service. The

place is huge, and it's fun. They greet you at the door and they always have exactly what you're looking for – plus a few other "essentials" I didn't know I was looking for!

I once wore out a golf bag and they replaced it free. I used it for over two years when the strap broke. I figured that was ordinary wear and tear and I just wanted to get one like it. The owner talked with me, said he'd "see what I can do," made a phone call and handed me a brand new bag. Now I'm telling you – and recommending Fiddler's Green to about 40,000 people around the world.

What do people say about you and your business? How many "fanatics" do you have? It only takes a handful of loyal, life-long customers to make any business successful, but too often we focus our attention (and budgets) on advertising to get new customers in the door. That's a very expensive way to do business!

Amaze your customers. Astonish them. **Go beyond "reasonable" and you'll build an empire, make your fortune and have fun doing it.** ■

SOURCENOTE: Dr. Philip E. Humbert

Motivation

Understand the problem to re-spark your business

There are times when we'd rather not have to make decisions, pay the bills, handle a difficult customer, or deal with a problem employee.

YOU ARE THE SPARK PLUG for your business. When the sparks don't seem to ignite, you've got to do something about it.

If you run your own business or manage a team, you can't afford to stay unmotivated long.

If you have employees, they look to you as a source of energy and inspiration.

The first step in recharging your batteries is to ask yourself why you're not motivated at this particular time.

How do you get your sparks reignited?

1. Sit down and analyze the source of your

weariness. You have to identify the problem before you can begin to solve it.

2. Consider solutions appropriate for the source of your own lack of motivation.

Consistently overworked? Consider hiring more help. Bored? Plan new directions for your business or attend an industry seminar.

3. Get outside input. We often just stew in our own juices. Consider hiring a consultant or getting a business coach — someone to help you get perspectives and ideas. ■

SOURCENOTE: Rhonda Abrams, USA TODAY

WHAT'S WRONG WITH CORPORATE MEMOS?

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between the bosses and their managers, so make sure it reads that way. Don't waste their time or yours with a lot of silly fad-speak. The voice should be professional without being pedantic, urgent without being alarmist, pointed without being arrogant or insulting.

4. **Provide good answers.** Managers need to anticipate the questions they'll be

asked and you can help by including a section called: "Here's what people are likely to ask." Figure out the simple questions and the tough ones and offer answers that are useful and straightforward. Stating the obvious can actually be quite helpful.

Becoming a good memo editor is an important skill and one your boss will notice. Don't be shy about helping out. Who knows? If you help the boss write better memos, he might even begin to understand why you spend so much time on that publication. ■

SOURCENOTE: ragan.com

Sales techniques that will close sales

HAVE YOU WONDERED why, despite being able to describe the benefits of the products you are selling, the customer did not buy?

You were told not to sell features but the benefits of the product and that is exactly what you did. Yet, you are not able to close the deal. What is that missing element that is needed?

The answer may be that the benefits you described are not benefits that apply to the customer. The question is what is in it for the customer to be interested in what you are selling.

If you are selling to a business organization, focus first on the business requirements that are driving this deal. Whatever you sell had better give returns to the business. Otherwise, this might be your last sale to this organization.

Once you know the business needs, connect them to the benefits that your product can offer. This means you must know your product's features and related benefits. If you already know your product well, that is half the battle won. If not, you must find out.

If yours is a technical product, a user-based understanding is all that is needed for a sales person. Later, you can bring in technical expertise as needed.

The next thing to do is to establish the needs of the business that your product can meet. Present this from the customer's perspective and your chances of closing the deal are very much increased. There will, of course, be competitive products and prices to be considered.

Having described the concept, how can you do this in a well-organized way?

In this case, first list all the product features and their related benefits. Now for each of the benefits, write down what is the business need that can be met. Once you have written all of these down, convert these to questions that you can ask the customer.

SOURCENOTE: Business 121

New products

Five 'BreakOut!' business ideas

Meet the entrepreneurs behind tomorrow's most disruptive technologies.

INVISIBLE SPEAKERS. Detergent-strength tap water. Landmine-sniffing rats. Instant whiteboards.

Some ideas were born in garages, others in high-tech university laboratories. A few of these products have come to market, while others are still in prototype stage. Many of the companies behind them have attracted millions of dollars in venture funding.

Not all will make the grade as sustainable businesses: lenty of fascinating ideas don't translate into heaping profit piles. But for raw, eye-popping innovation, these are a compelling crop.

Ice Cream On Demand

Moobella, Taunton, Mass. Skip the ice cream parlor with 31 flavors. Moobella's vending machine pumps out scoops, in 96 flavors, on-demand, in about 45 seconds. This patented technique for churning and freezing ice cream from a room-temperature dairy mix has been 17 years—and nearly \$50 million in R&D—in the making. Two prototypes are running at Northeastern University in Boston and Worcester Polytechnic University. Pinnacle Food Services will market the machines mainly to cafeterias in universities, parks and zoos. Cost: \$400 per month, plus ingredients. Moobella raised another \$18 million in venture funding in September.

Invisible Speakers

Emo Labs, Waltham, Mass. Emo figured out a way to embed .02-inch-thick-speakers into the edges of televisions and computer screens. Instead of the cones, magnets and voice coils that move sound through traditional speakers, the speakers create sound using small movements and a voltage. The company is still securing partnerships with manufacturers. Target date in stores: end of 2010.

Detergent-Strength Tap Water

Activeion, Rogers, Minn. Faced with the holiday-party aftermath and out of cleaning fluids? Just fill up a bottle with plain old tap water and spray it on the stain. When you press the trigger, Activeion's bottles move tap water through a small electrical charge that separates the molecules into positive and negative charges and creates bubbles. This bubbly water lifts dirt and bacteria from any surface like a magnet, making it easy to wipe away dirt and grease. Originally aimed at professional cleaning companies, Activeion recently released a home version, retailing for \$169 for a 12-oz. bottle.

Writing On The Wall

IdeaPaint, Cambridge, Mass. Want to spur innovation? Turn every wall, no matter the surface, into a whiteboard. Three recent Babson College graduates created a paint that dries to create a surface that does just that and any dry-erase marker wipes it completely clean. The paint sells for \$3.50 to \$4.00 per square foot of coating. After closing a \$5 million venture round in December 2009 (following a \$5 million round in November 2008), the founders plan to have it in at least one big-box store in early 2010.

Landmine-and-Disease Sniffing Rats

APOPO, Antwerp, Belgium/ Morogoro, Tanzania. Bart Weetjens spent 10 years learning how to train giant African rats (three feet in length) to detect landmines. His regimen includes clicking noises and food rewards over an eight-month period. While huge by rat standards, the animals are too light to set off the charges and can cover 1,200 square feet in 20 minutes, double the area swept via a metal detector in a day. He's also figured out how to teach rats to sniff tuberculosis in blood samples. APOPO works with governments in Colombia and Thailand and with mining companies in Mozambique. ■

SOURCENOTE: Maureen Farrell, Forbes.com

Twitter management

How to avoid being Twimpersonated

Twimpersonation takes place when another company uses your name in its twitter feeds

ALTHOUGH ATTORNEY Bruce Johnson says there's little you can do to avoid a situation like Tanner Friedman, who sued to regain their name when it was used by another firm in a twitter feed, he recommends the following proactive approach to online reputation management:

- Protect your brand by getting your own story out there and controlling the message. Monitor key messages and industry keywords so you know what's being said about your company and industry.
- Use tools like Namechk.com to see whether someone is using your (or your clients') name or brand name(s) online.

Namechk.com scans 122 Web sites — including Facebook, Twitter, MySpace, LinkedIn and more — and tells you where your selected username/identity is already in use.

- **Claim your name.** "If you know of a technology that you may want to be a part of (even if not immediately) and it's free to register for it, grab your name," Johnson says. Some services require that you post content on your account, so you may want to at least post basic user information and a link to your website, but don't let these accounts stagnate; it sends the wrong message regarding your company's commitment (or lack thereof) to social media. ■

SOURCENOTE: Bruce Johnson

The Institute for Independent Business

FOUNDED IN 1984 in the UK, the Institute for Independent Business (IIB) is now one of the world's largest international networks of business advice providers.

As of 1 March 2010, nearly 6,000 carefully-selected men and women have been accredited worldwide as IIB Associates.

Experienced professionals

Experienced senior business people in their own right, who have elected to become self-employed business advisers, Associates and Fellows of the IIB have received additional training to enable them to focus accurately and cost-effectively on the needs of clients and prospects.

This ensures that Associates' clients receive the "practical advice that works"—the Institute's motto in every country in which the Institute operates. ■

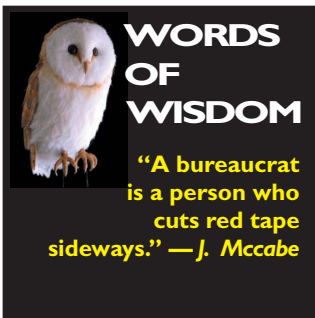
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SME marketing survey

Most popular small business marketing tactics

At the end of 2009, EnterQuest carried out a survey of small and micro business owners with the aim of identifying the most popular and least popular marketing methods used by small firms.

SURVEY PARTICIPANTS were trading in a wide range of sectors such as retailing, consultancy and training, finance, tourism, health and complementary therapy, arts, manufacturing, building services and IT.

The survey asked respondents to provide information about ten different types of marketing methods they used regularly, used occasionally or had never used at all.

Headline results are as follows:

There was no standout winner in terms of the marketing method most frequently used across all business sectors, but the results did reveal patterns indicating that small business owners are generally proactive marketers; they experiment and try different tactics and they analyse and monitor the methods that produce the best results for their own particular market.

Top five tactics used on a regular basis

1. Face-to-face networking (73%)
2. Online networks (52%)
3. E-mail marketing (50%)
4. Ads in sector directories (47%)

5. Direct mailings (44%)

Top five tactics never used

1. Ads in local press (63.7%)
2. Social media (39%)
3. Yellow Pages ads (53%)
4. Pay-per-click (PPC) advertising (53%)
5. Ads in sector trade magazines (48.8%)

There's no argument that the Internet has dramatically changed the landscape of marketing and business communication in the last ten years.

But while the use of online professional networks such as LinkedIn and email marketing tactics have grown, it's significant to note that face-to-face networking emerged as the most popular marketing method.

Survey results in brief

- 73% of respondents engage in face-to-face networking.
- Over half use professional online networks.
- Almost two-thirds don't use social media as a marketing tool. ■

SOURCENOTE: Enterquest

How to get more work done today

LACK OF PRODUCTIVITY has many causes. Here are some of the more common ones that you can easily eliminate:

• **Lack of priorities.** Your to-do list is useless if you don't know what to tackle first. Talk with your supervisor to identify what's really important.

If you're the person in charge, devote some time to deciding which tasks add the most value to your organization so you don't waste time on non-essentials.

• **Procrastination.** Time disappears quickly when you put off necessary tasks. Try breaking them down into small segments so they're easier to get started on — especially for large-scale projects which can intimidate many people into delaying action.

Schedule unpleasant tasks early so you can get them out of the way and focus on other jobs.

• **Interruptions.** You can't shut yourself off completely from co-workers and your boss, but you can minimize time-wasting interruptions.

Close your door if you have one; if not, hang a "Do Not Disturb" sign on your cubicle, or wear some headphones that block noise.

Let people know you need sometime to concentrate, but that you're available in case of legitimate emergencies. ■

SOURCENOTE: Ragan eNewsletters

How to earn 20% more per year from each employee through work/life balance

SMALL COMPANIES that help employees achieve a good work/life balance earn 20% more per year from each employee, according to research conducted by talent development firm Morgan Redwood.

The businesses surveyed understand that a good work/life balance is important with 93% believing there is some connection between the well-being of their staff and the performance of their business and 58% saying they are very closely linked.

Redwood's study shows average net annual earnings per employee of \$40,407 but this figure rises to \$49,859 in companies which take care to ensure staff have a good work/life balance as it reduces absenteeism, improves wellbeing and increases productivity.

"We all instinctively know that a good work/life balance matters — but to have the actual value of it quantified is a breakthrough moment," said Janice Haddon, managing director of Morgan Redwood.

"It means that, when weighing up different management options, companies have some real numbers to factor into their decision-making.

"This means that a change that perhaps will save money in the short term, but put additional workload onto staff, can be properly assessed." ■

SOURCENOTE: UKBA