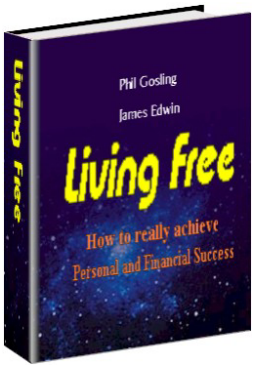
The Ultimate Course in Personal and Financial Freedom

Living Free

The Kick Start Programme

How to KICK START your income in the new world of Home Publishing

How to offer the unique Living Free course as your new home business



Re-edited and revised by Phil Gosling

© 2002 Philip Gosling

Contents

Version 2 – Digital Copy
Dated Sept.2002

Publishing a pre-written Course 6
History 6
What is it? 7
Phase I 8
How The Kick Start Programme can make you money 10
What to do Next 10
The Income Potential 12
When to post mailshots 14
How To Start 14
Step one 14
Step Two 15
Digital Printing 15
Step Three - The Mailing List 16
Duplication 18
What Labels should you use? 19
Getting new names 19
Getting smaller list quantities 20
Alternative suppliers 21
Break-even calculation. 21
Step Four 22
Flamers 23

Free Previews 24
Costings 24
The Teaser Envelope 25
Step Five - The Mainshot 26
RESPONSE TIMES 27
Step Six. The Follow Up Letter 28
The rules for discounts 28
Credit cards 29
Follow-up phone calls 29
Other advertising 31
How to get cheap advertising 31
New Customers 32
Checking the bank 35
Standing Order Overruns 36
Standing Orders and initial cheques 37
Standing Order cancellations 38
Refunds 38
Stationery Supplies 39
Equipment 39
Printers 40
Support 40
Telephone 40
Updates 41
Can it be run full time? 41
VAT 41
Results 42
Security 42
Integrating with other Courses 43
Buying Names 43
Becoming an Agent 43
Ordering materials 43
Contact Numbers: 44
Summary Of Steps 44
Finally... 46

Session Six *48*
By One's Own Industry 48

Phase II 49
Where do you go from here? 49

Appendix One *61*

Doing it Digitally 61
How does a digital option work? 61
How does it work exactly? 62
What happens if the customer has problems? 62
How to unlock the special files 62
Getting the files to the enquirer 64

Appendix Two *65*

Sequence of events (Flowchart) *65*

© 2002 PJP Gosling.
All rights reserved.
Nothing may be reproduced from this work or stored in any form of information retrieval system without the express written permission of the publisher. All the information, statistics and historical evidence presented in this manual are to the best of our knowledge and belief, a true and accurate representation of the business concerned. The author and publishers issue this manual on the understanding that whilst every effort has been made to ensure the accuracy of all the information presented in this book and all other related books and manuals, they will not accept any responsibility for any loss (or profit), direct or otherwise, as a consequence of using any of the information presented therein. The opinions given are those of the publisher who is acting in good faith according to the extensive research undertaken by him and who confirms that he himself uses all the principles described. Users are urged to seek legal advice before entering into any contract or business. Users agree to operate this programme entirely at their own risk and to abide by the licensing agreement.

The Home Publishers' Kick-Start Programme

The world is full of willing people; some willing to work, some willing to let them,
- Robert Frost

Dear Home Publisher,

Or at least, Home Publisher to be. My name is Phil Gosling, Managing Director of PhilDee Limited who are the publishers of my "main" course – The Home Publishing Revolution.

This course, which is all about how you can live the life you want by becoming an independent home publisher, has been a best seller and I have received thousands of letters and emails from people who have been excited by it, as well as letters from people who have made a great deal of money doing it.

It has always been my great joy to see people make money in Home Publishing and I was very conscious of those people who genuinely wanted to make a start with their own project, but didn't – even though I show them exactly how to create their own projects in the course materials. Hence this special programme.

This *Kick-Start* programme is designed to help budding Home Publishers make a start on their new career by using an off-the-shelf home publishing programme. The object is that you can start home publishing straight away – using my course and sales materials. This will give you the experience of running a best-selling course as well as the opportunity to earn what could easily be quite a goodly amount of money. Indeed, as you will see, one of my first ever productions in this area made one agent over £40,000, but more on this later.

The real reason I would like you to consider this programme is not to just make money, but to make a new life for yourself. You know, and I know that no-one ever makes big money working for someone else. Well, quite often the same applies if you sell someone else's product. The real money lies in selling your *own* product, and this kick-start programme is here *to lead you into something better*, more rewarding and infinitely more profitable than any business you have ever seen before – *independent* Home Publishing.

As you read further I will reveal why most people never make big money selling other people's products. They may make a quick killing but when the gold runs out … what

then? Surely it's better to create a continuous stream of income rather than a one-off lump. In this programme I am going to try to offer you both – a lump sum (plus the experience) by running your Home Publishing business using a tried and tested system and products – then I urge you to *continue the momentum* by taking that extra step into true, independent Home Publishing.

In effect *The Home Publishing Revolution Course* shows you how to fish using entirely your own tackle. In the *Kick-Start programme* I am offering you a fish, and my tackle to try it out first. The *Living Free* Course is the information you need to succeed in any business – indeed in life itself. All three programmes complement each other.

PUBLISHING A PRE-WRITTEN COURSE

This simple, highly effective and above all, honestly-run plan combines the very best and most profitable elements of all businesses. Its potential is very high indeed. By the time you have finished this manual you will not only know how to operate it successfully (and I show you everything – including the downside) but you will also have the exact blueprint for running *any* course, someone else's or better still – your own.

History

In 1993 the original version of this course, called *Live The Dream*, was released as an agency (sell-on) course. About three years later the agents were capped and with the exception of a couple of agents, the plan was allowed to "rest". During the last year, the original course was completely revised by me with the intention of offering it NOT as a resalable or agency plan, but as my own personal venture. However, as a "kick start" incentive, I have agreed to let this new course – Living Free – be marketed as an agency programme for the benefit of the agents themselves.

What benefit am I talking about? Unlike many other plans I can quantify this with genuine figures taken from the original 1993 programme, figures you may find hard to believe:

- Based on the retail values of the number of books sold, the amount of money going directly to sales agents was over £1.5 Million.
- Two agents told me they had made £20,000 and £40,000 respectively.
- I had several agents with more than 100 clients, giving them an income of £2800 per month.
- In 1998 an investigation into small business opportunity programmes revealed that the most profitable were sell-on courses (provided they were *good* sell-on courses)

and that our programme had been the most profitable of them all. It was also the only programme at the time where the buyer had the choice of buying the course *by itself* for one price and could have the business opportunity element of the programme as a second, *voluntary* add-on. This gave the course great kudos – the fact that it was a good read by itself. I have tried to make the new Living Free course better still.

The object of this NEW manual is to give you the best possible insight into how the new Kick Start programme can benefit you, but without all the hype inherent with other business opportunities. Indeed, unlike any other opportunity, I will give you the full story, including the risks, so that by the time you have finished reading this book you will know exactly how to run it, what the potential is, what the risk is, what the legal position is - in fact everything you need to know.

What is it?

The Kick Start Programme is a turnkey, mail order, home publishing business to be used as a starter programme that leads to your very own self publishing business as described in the Home Publishing Revolution Course.

Turnkey. Turnkey is a phrase meaning that you will not need special skills in order to operate the programme. It's like turning a key, and the engine kicks into life. You don't need to be a mechanic to drive a car. Similarly you don't need to be a mail order expert to operate the agency. You merely have to do as I do by following step by step instructions.

Mail order. Actually it is a *division* of mail order known as direct selling. There is no face-to-face selling involved. I will supply you with regular examples of my advertising literature. You can get these printed locally. You then send these letters to people who are interested in the course benefits that I offer using a suitable mailing list. This is discussed in detail later.

Income generator. The Kick Start Programme is not a business designed to give you a permanent income, but is designed to lead you to it. The idea is to use it to (a) Learn the best way of running such a business by following a proven plan, and (b) provide starting capital to fund your own Self Publishing venture as described in the Home Publishing Revolution Course.

Whatever profit you make from this and similar programmes (i.e. publishing other writers' work) can be expanded ten times over by publishing your *own* work. Effectively I have created a "starter" business to lead you forward into an area in which incomes of over £100,000 a year are not only possible, but quite normal for those that know what to do. And I'll show you how it's done, step by step.

The Legal Situation

The 1996 Trading Schemes Act places severe restrictions on all plans which offer commissions or profits from special types of trading schemes. This includes all MLM and networked plans. The Kick Start Programme is exempt from the Trading Scheme regulations as defined in the 1996 Act. The Programme is a one level system in which all agents (also called Licensed Retailers) are on the same level below the organiser (PhilDee Limited). This type of system is excluded from the Act. Buyers of the Living Free course who are interested in joining the Kick Start Programme as agents must also purchase the Home Publishing Revolution course. See the end of this book.

The Kick Start Programme

Phase I

As you will read in the Wealth Creation parts of our "Living Free" course on personal and financial success, you will see that, of all business opportunities available to the newcomer, Direct Mail or Mail Order is the one of very best in terms of unlimited potential. Although there is an element of risk, it still remains one of the few areas where the "little man" or woman, can pitch in with the big boys and made a huge success of it.

As one example, *The Government Auction Handbook*, which was nothing more than a simple booklet on where to attend one of the many auctions of bankrupt stock held all over the country, allegedly sold 200,000 copies in six months. Now each copy sold for £10, so the originator made £2,000,000 in six months! Beats the lottery doesn't it? He continued with large adverts in newspapers, but the bulk of his success started in Direct Mail.

The concept behind Direct Mail is simple. You write to interested people telling them the offer you have for sale. If they like it, they buy. If not, they won't. Over many, many years DM has become more of a science than a business and a simple look at the numbers involved can show you how it is perfectly possible to become a millionaire inside twelve months, provided you have a good product, good sales copy, and a responsive market.

Here is how it's done. You send out a test mailing to say, 1000 or 2000 people. This will establish the *response rate* of your product, that is, how many people bought the product expressed as a percentage of the whole mailing. In fact nowadays you don't even have to do this. Over the years, response rates have become common knowledge and they vary very little. The average is 0.5% - 2%. If I take 1% as a reasonable level, that means 10 people in every 1000 should, on average, buy your product *if it has value*. So here is the first rule for budding mail order entrepreneurs - when working out your prices for products, never assume a response rate of more than 1%. Response rates of 5% or 10% quoted by some chain-letter freaks are largely the triumph of imagination over experience.

Now in this example assume that the absolute rock bottom profit you get, after all the costs of mailing and posting and product have been taken into consideration, is say, £250 per 1000 mailings. This means that every 1000 letters you send out will produce, on average, £250 net profit. So how would you make £25,000 profit based on this information? Simple, just send out 100 x 1000 mailshots. If your profit goes up, your mailings can come down to make the same money. That is the simple premise on which all direct mail (DM) projects are based.

In DM terms a 20,000 mailshot is just a test. One million is a real mailshot. I know of one person who sent out a 200,000 mailshot in January of each year, and that was his income for the rest of the year. Mind you this a very high risk strategy. If he'd bought 200,000 names from a poor mailing list, he would lose nearly £100,000 in one go. It is far better to send out 2,000 per month and even out the risk. Despite being a professional, I have never sent out more than 15,000 mailings at one time. Anyone doing more than 2,000 at one time is taking a high risk and they had better be prepared to take a knock if it goes wrong.

Indeed this is a very important point – never, EVER risk money you can't afford to lose. It happens to everyone, even to experts. Well over £20Million worth of advertising in colour magazines went up the swanny when the death of Lady Diana hit the headlines and took all the public's attention. A 10,000 mailing of mine landed on people's doorsteps on the morning of September 11th 2001. By the afternoon the world's airline industries had plunged into recession, and so had my mailing. I didn't care. I didn't care because I could afford a five grand loss and I was comforted in the knowledge that I was not on the 118th floor of World Trade Centre.

These figures are just to show you that in the world of DM, all you have to do, once you have a good product, is decide how much you want to earn, turn that amount into mailshots, and just do it. Simple really.

Most people cannot cope with these figures. They cannot envisage being able to earn large sums of money for simple work. Later in the *Living Free* course you will see why - it is way beyond their "income ceiling".

In reality many people are earning huge amounts of money for doing something so simple as knocking a golf ball down a hole, or pretending to be someone else in a film. In the light of this, YOU making another £20K, £30K, or even £100K and actually *working* for it seems angelic in comparison. You CAN do it. It is not difficult. Running a fish & chip shop is far more difficult. The late Joe Karbo summed it up in one sentence – "Most people are too busy earning a living to make any money". That is what the Living Free course is all about.

How The Kick Start Programme can make you money

In order to start a successful direct mail business you need to have a certain kind of product. It must be economic to produce, have a large profit potential and the widest possible market place.

What I have decided to do is to allow you to buy my Living Free course on a wholesale basis and market it in exactly the same way as I market courses but entirely to your benefit. You keep everything you bring in. There are no commissions to pay. It is not Multi-level. I merely supply you with your stock as and when you need it.

You are selling a definite, valuable product. Based on previous figures, over 90% of your customers will buy the course materials and information services for their content alone. Only 10% may decide to become agents. Unlike some similar plans I am not offering a pseudo-product whose only value lies in selling it on. It is quite definitely a "stand alone" product. Offering it makes you a normal retailer with my company acting as a genuine wholesaler supplying you with any stock you want. It is totally legal and ethical.

You have no need to think up a product. However, to put it mildly, the *Living Free* material makes most other plans look feeble in comparison. It cost over £20,000 in research costs alone, before a single word was written. It is State Of The Art and completely updated. It is the only full course that combines all information needed to become completely financially independent – often within 60 months.

By giving others the opportunity to market this course, and keep ALL the profits for themselves, I have created what many believe to be the major income opportunity in the Business Opportunity market place.

Details of your responsibilities, and ours, are explained clearly on the licensing agreement. If you would like to continue with the agency you must complete and sign the licensing agreement and return it to our head office. You will also need to become a member of the Home Publishers' Association (HPA) by subscribing to our Home Publishing Revolution course. See the end of this book for details.

What to do Next

The process is simple. Having joined the HPA and returned the licensing agreement, I will supply you with all the information necessary to market the course. Essentially that means this book, plus master copies of advertising material and an email help address. The help line is for emailed enquiries. Details are given later in this manual.

- You won't need to think of a company name for yourself (unless you want to) because I will allow you to trade under the banner of The Publishers' Network. I

supply the letterhead complete with your address. If you decide to use your own letterhead then just copy the wording across. Just let us know and we will send you the versions created in MSWord, so you can use cut & paste.

- You have no need to "invent" a mailshot. I will supply you with the master copy. I revise it every three months or so. You should always check that you have the latest mailshot copy before doing a mailing. I will send you updates. All our prices for masters and updates are kept to a minimum.

- You've no need to print stocks of books because you already have them! The Living Free course is being circulated digitally. It is just a computer file, a *locked* computer file. This is unique, state of the art marketing and it works like this:

1. The course is marketed by Direct Mail in the way described later. The advertising copy will either direct the reader to your website, or they will be prompted to ask you to send them a free CD. Your website, or the CD, will have on it some free previews of the course itself so that the reader can evaluate it. It will also have the full course as a special, locked file. The reader can download all this from your website, or the CD.
2. If they try to open the locked file they will be unable to do so. It requires a special password called an Authorization String, or A. String for short. This is not a general password that can be passed on. It is specific to the computer it was viewed on. When the reader tries to open the special locked file he or she will be prompted by the software to email the retailer/agent with two special sub-codes. The retailer will re-email those codes to PhilDee limited who will use special software to produce a unique A. String for that customer.
3. In some cases people will want to pay monthly by standing order. The customer will have the full set of monthly locked files which are opened the same way. As you receive orders you effectively buy NOT the session materials, but the A. Strings directly from us. (Think this way. The customer already has the books, but they are locked. They buy the *key* from you at a retail price. You buy the key from us at a wholesale price, and send it to the customer. Instead of printing and posting books all over the place, we are emailing keys instead.) More on this later.
4. Of course not all your customers will be able to accept digital copies. They may not have a computer. Also tests have shown that approximately 10% of customers have some kind of technical difficulty with opening codes. In these cases we can provide hard copy books but the customer will have to pay extra for printing, postage and packing. For your hard-copy customers you would do well to buy-in a small amount of stock in advance so that you can supply your customers immediately they pay you. This looks very professional. If for any reason you have a supply of hard copy session materials you don't need, I will replace each part with any other part, so if you have too many part twos, and need more part tens, I will swap them for you.

- Basically everything has been thought out for you. You just have to decide how much you want to earn, work the plan, and send out the required number of mailshots. It couldn't be simpler part time work.

- Part one and a preview of part two, plus the full course as a single locked file, plus the course split up in monthly sessions (also locked) will be made available for you to place on your website or on CD. You will be able to buy a supply of CDs with these parts on and some hard copy part ones (for those without computers) directly from us. (You can cut your own CDs if you have a CD writer.)

THE INCOME POTENTIAL

Before I tell you exactly how to go about operating this business step by step, let's take a serious look at the income potential. Those of you who have already seen other home publishing plans, or are already well versed in DM knowledge, will know that the figures are true, if not understated.

I am going to assume a response rate of 0.8%. This is quite miserable. With a good mailing list, and recognising those times of the year when NOT to do any mailings, you should expect at least 1% *on average*. Our own records show an average response rate of 1.4% over ten years. The lowest ever was 0.4% (barring catastrophes). Apart from this one I have rarely had a mailing that produced less than 0.8% Either way, no-one can accuse me of overstatement if I stick to only 0.8%.

Firstly you recruit a client member at £28 a month by standing order (digital prices), just for the course alone. The first part of the course is free and available from the internet or on CD. Part two can be previewed in the same way but is still paid for, making 11 payments in total for the course, a total income of £28 x 11 = £308. (There is a discount for people who pay in full which will reduce these figures, but your cash flow will benefit hugely.)

If this is a digital sale, you will need to supply your customer with 11 keys which you obtain from us, bought for £9 per key.

If this is a hard copy sale, you will need to send your client 12 monthly session parts, bought from us at a cost of £9, including postage and packing[1]. Thus your "stock" cost for the year is £108, a gross profit of £308 - £108 = £200 per recruit. (Digital is cheaper because there are only 11 keys to buy.)

At a response rate of only 0.8% you should recruit an average of 8 people per 1000 mailshot. Each would average £200 profit, so the total is £1,600 for only 8 people. A 1000

[1] Prices still to be finalised. This calculation for information purposes only

mailshot, in total, should cost about £480 (see *costings*), so your final net profit is £1,120. This means that every 100 letters you send out are worth £112 net profit to you. This means, on average:

Every letter you send out is worth £1.12 in your pocket, *whether they reply or not.*

This is based on only 0.8% response. If you send out your mailshots at prime time of year (Jan/Feb) then with a good mailing list, 1.5% is quite possible. This means instead of getting 8 recruits per thousand, you might get 15. Your final net profit from this one mailshot alone could be 15 x £200 = £3,000 less the cost of the mailshot = £2,520.

You will get some "fallaways". That is people who sign up, last X months, then leave for any one of many reasons. This is quite normal. The average fall away rate in the world of mail order courses is 12%. Individual figures will depend *entirely on the mailing list used*. Any returns you receive will, in over 99% of cases, be positive, e.g. "Thank you ... it's very good but not just at this time....". This is normal and confirms our material is well received.

When you receive literature on some of the other home publishing plans take note. These plans *look* highly profitable, often quoting figures of £30,000 per year from only fifty clients paying £50 per month. When I tested the PartWork Plan in 1994, as an experiment, I found the response rate to be nearer 0.5% and the fall away rate was 33% within the first four months. Less than one third finished the course. The course had no staying power. Of course this was not mentioned in the literature.

I have always constructed my books and courses to give "double value." That is each project had to provide not one, but two practical examples in which the cost of the course repaid itself. In the case of the original Live The Dream course, the Database service was added because I could then say, without fear of contradiction, that the cost of the course would recoup itself from the information in the database service alone, even if someone considered the course to have no value. This database service has been relaunched as **Scam Central**, an internet site in which we offer powerful advice and post links to other sites of interest. Thus, if I only warned a subscriber of *one* potential rip-off per year and saved them only £300, they would be well off. (In practice remember that the opening cost of £300 rarely covers the entrance fee for one opportunity. The costs of *operating* the doomed plan often run into thousands of pounds.)

Similarly, for double value I have made the information in this guide as detailed and truthful as possible, including information that has never been published before (e.g. Flamers). *As such this guide stands alone as one of the most honest and comprehensive manuals on how to run a mail order business*. The advice on response rates, two stage marketing and cheap magazine advertising can easily recoup more than ten times the cost of the manual, a price I had to pay before I learned the ropes. Thus the course AND the Agency manual have a unique value in themselves.

Agents/Licensed Retailers can start immediately, or when they've read the entire course. All I can say at the end of the day is that a 1000 mailshot has previously been proven to generate a final profit, in our account, of well over £1,400. And this figure has been obtained *without a single follow up letter*. **By adding one or two follow up letters, the final result can be nearly 2% response**. To generate 25 members, at a 1% response rate will need 2,500 sales letters. At 0.8% it would need 3,200 letters. This would give you a monthly return of £700. Your target could be 100 subscribers, which is a monthly return of £2800.

When to post mailshots

The best months are January, February , March, April and May. June is dicey because people are saving for holidays. July and August are risky months, September is good, tailing off again in October. Mid-November to end-December are not good. Do not post any mailing one week either side of a Bank Holiday. This is only a guideline but use it. Having said that, experienced mail order entrepreneurs often break the rules with a test shot to see what happens. In 1996 I had an excellent result from a July mailing. However this does not mean that the same result can be expected each year. There are too many variables. Also watch the news headlines for events that will effect your mailing. Obviously, catastrophes are unpredictable but a mail strike, or a national celebration, or the Olympic Games, or the World Cup are very predicable.

How To Start

Step one

Open a bank account. You can use any name you like or use our own Publishers' Network name. Please do NOT use "Living Free" or "Home Publishers Association". These two names are copyright and solely for the use of PhilDee Limited. Your agency is not licensed to use theses names on any form or document including your bank account.

If you do want to form your own company name, on your own letterhead then feel free to do so. It is entirely permissible to use your own name as a business, so Fred Bloggs Publishing can be started without the need to form a limited company. However if your name is Marks Spencer, you may need to talk to a competent lawyer first.

I have no love affair with banks. It seems to me that they can commit fraud and get away scott free. If you admit to running a business the bank will charge you for every transaction although they will give new accounts some free banking to start off with. On the other hand some individuals start companies in which they use their own name as part of the company - e.g. Bloggs & Co. or J. Bloggs Response Services. Incoming cheques bearing the title *Bloggs* can be paid into a private building society account at no charge, and then transferred to a private bank account to be used for paying suppliers. It could be tricky maintaining this charade if you are cashing thousands of pounds worth of assorted

cheques. Some get away with running a "club" account. Of course this is not an enticement or recommendation to break banking rules, I just mention this little thought in passing. The problem is that you will need a Standing Order facility, which is available for large club accounts in certain Building Societies.

Ask for statements *weekly*. This should not incur an extra charge. Ask at various banks. Use the bank that will give you the most time before incurring bank charges on the account. This can range from six months to one year. Explore internet banks that accept Standing Order payments and also offer you a free on-line account viewing service. You'll see why later.

Step Two

Find a good local print company. The best way of obtaining short print runs cheaply is to go to a printer who has a good photocopier service. By this I mean a large beastie of a machine, not a desk top toy sitting on a cabinet. By placing one of our master sheets in the machine, run-off on your own printer, the quality of print on the copy should be indistinguishable from the original with no streaks, shading or uneven areas on the page. Tell them you are going into the Mail Order Business and negotiate a rate of about 3.5p per page or less. An alternative is to look in Exchange & Mart where there are many printers, however I feel that you will have much more control over a local company. Currently a chain of stationery stores called Staples has such a photocopier service as well as wads of cheap envelopes.

Digital Printing

One of the great technological advances in printing has been the development of digital printers. With companies having this technology you can email the company a zip file containing the document you want printing and they do it straight away. Apart from the speed of the whole process another great advantage is that small print runs can be far cheaper than conventional printing.

Conventional printing such as Offset Litho involves the making of plates. These plates "load" the costs up front, so a small print run has to pay back the same plate cost as a large print run. With digital printing no plates are required and short run costs are a lot cheaper. The opposite is true for long runs, when conventional printing is cheaper. Always compare quotes for both types of print run and always check prices with other print companies. If you are considering colour – be careful and ask for several quotes using both digital and conventional printers. I have saved over £1000 on a print run just by getting lots of quotes.

Whatever you do, make certain that the quality of paper and the clarity of printing reflect a professional image. You only have to think of your own reaction to receiving a cheap photocopy in the post, printed on rubbish paper promising wealth and success. It doesn't go together.

By far the simplest paper to use is 100 gram Vellum (this means beige or cream coloured) paper, with black printing. It's simple, classic and looks professional without being flashy. Think quality all the time. I often use 90gsm Data Copy Laser Laid, from Viking Direct, current cost £8.99 per ream (500 sheets). If I use brilliant white paper I will tend to print the headline in a different colour. Two colour printing looks better on white paper but it is more expensive. I was about to say that there is no digital option for colour, but there is. Unfortunately it is still very expensive (unlike black & white digital printing) so always, always compare prices between different types of printing, as well as different print companies.

To give you a feel of how some other plan operators make excessive profits, one company I know offered a home publishing plan which one of my members described as "a nightmare at £50 per month". Amongst the many adverse comments he sent us was their price list for printing and stationery costs, described as "the best option available". In their price list, 1000 ordinary gummed DL envelopes cost £63.45. At the time our cost from Viking Direct for these was a maximum of £22 plus VAT. Their price list for C4 envelopes was £61.10 per 1000 compared with £29.36 from Viking. To add insult to injury the price list required a further £11.75 for delivery. Viking delivery is free, next day, and by my mathematics nearly £50 cheaper per 1000 DL envelopes. Such a cost can make or break a mail shot.

Step Three - The Mailing List

If you are going to venture into the world of direct mail, this section on mailing lists will be more valuable than any book ever written on marketing. It is fundamental to the business that you understand how mailing lists work. Your knowledge in this area can make you very rich or very poor, depending on the quality of that knowledge. I urge you to consider this section very carefully.

The object of direct mail is to send a letter advertising your product directly to someone you think may be interested in that product. That's why it's called Direct. Getting your letter right is one thing, knowing who to send it to is quite another.

Everyone in direct mail *rents* lists of names from a mailing list broker. The names can only be used once. If you copy them to use again, it can be traced because the broker will have inserted 'sleepers' (names of friends or staff) into the list just for this purpose. However, anyone from the list *who replies to your mailing* is now yours and you can resend literature to that name without paying for it again.

The price of names varies enormously as does the quality of broker. It must also be said that ranking well above used car salesmen in terms of ripping off their own granny,

mailing list brokers as a genre can be placed easily in the same ball park as piranhas and deranged serial killers. Thus a good one is quite literally worth his or her weight in gold.

When you rent a mailing list you will receive an agreed number of names that are presented on printed, self adhesive labels. Numbers vary. Some brokers will be happy selling 250 names. Others regard 5000 as a minimum test. You will pay a cost per thousand names, typically in the range £100 - £200 per thousand, so they are not cheap. Furthermore you will have no idea how good these names are.

I must make the point that the best rule is to buy the most expensive names from a good, reliable broker. The "shark market" is rife with idiots setting themselves up as brokers offering names that often come from a telephone book.

There is only one way to find a good broker and that is to test. Even then a good broker can receive a bad list through no fault of their own. I once bought a super hot list from our broker. The list originated from a reputable publishing company. This super-hot list produced a very low response probably because the people concerned had already spent their entire life savings on the other company's materials.

Even with a good broker the secret is to test a list thoroughly before committing yourself to large quantities. Firstly buy a small quantity (500, or no more than 1000) on an "Nth" name basis. "Nth" name is jargon for giving you small selection of names on a random basis from the larger list. This way you don't get all the Jones' living in Accrington.

If this mailing is successful, then double the quantity on your next order and do this until you get to 5000 names. Then buy in lots of 5000 at a time. As soon as the response from this list tails off, drop the list and move on.

You will never be a pro in direct mail until this maxim is engraved in your head:

The success or failure of any mailshot depends almost <u>entirely</u> on the quality of the mailing list.

This is such an important message, let me put it another way:

If a mailshot bombs, the most likely reason is the quality of the names used.

I hope this message has got through. This applies to *any* product. Good advertising material will maximise the effect of a mailshot, but the limit of that effect is bounded entirely by the names used. If you sent the world's greatest advert for a new book on gambling to a list of 1000 Presbyterian ministers, you will be disappointed with the response. On the other hand, the same mailshot to 1000 people who have previously purchased books on gambling would start to make you a fortune. The same product, the same advertising, produced 0% response, or 50% response, based entirely on the mailing list. It's obvious really - the secret is to understand your target audience.

The most obvious target audience for the *Living Free* course, and co-incidentally, a popular one for mailing list brokers, is "Business Opportunity Buyers". Nearly every advert selling mailing lists boasts the world's best prices for the world's hottest lists. Yet some "hot" lists will do very well, and some will bomb. Why?

The title "Business Opportunity *Seeker*" is a common one, and is far too imprecise. A Business Opportunity Seeker can be someone who merely subscribes to a small biz-opp magazine. He or she is described as a "seeker" because they are essentially readers, rather than doers. Now imagine sending an advert for a course costing £28 per month to someone whose greatest venture in the great world of business opportunities is a £15 a year subscription to *Biz-opp Monthly*. It won't work. I know because I've tried it. The reason is that a business opportunity *seeker* is not the same as a business opportunity *buyer*. Someone who pays a small subscription to a biz-opp magazine is someone to sell a cheap idea to. What you really want to look for are people who have shown commitment (*buyers* of manuals, not readers of magazines) and who are prepared to commit reasonable funds.

The secret of mailing lists in our sector is to always ask for the latest names of people who have *purchased* a business manual of some kind over the last three months or so. Don't accept anything less. Why the time limit?

Good mailing list brokers get their names by buying or renting them directly from other Direct Mail *Operators* (organisers and publishers of plans, correspondence courses, books, etc.) Cheap mailing list brokers get old lists from other mailing list *brokers*.

When a good broker has a new list available it's because they have acquired the new list directly from the publisher. Of course the names are not "new" as such. The publisher has probably conducted a newspaper campaign to generate customers, sold them whatever he can until he has nothing left to sell them. Now the only profitable course of action is to sell or rent the names to others having similar products. In this sense, the "new" list is actually quite old, perhaps a year old or more, but the people have only been offered goods from the *one* publisher. When released, the first renter of that list can be reasonably certain that the names have only seen the advertising offered by the original publisher, and thus the renter's advertising will be fresh. If you rent an older list, many other businesses will have shot blasted the man's letter-box. By the time he gets your goodie he may already have bought an alternative, or just be heartily sick of unsolicited mail.

Duplication

Clearly it is no use sending a mailshot to someone who has already received the same mailing from another agent. Unfortunately there is no simple solution, save one which I will mention later.

Normally when you buy a product from a DM company, your name will be recorded on the mailing list database for that particular company. They will do two things with this

list. Firstly they will use it themselves to advise you of new products in their range. Secondly they will "rent" the list with your name on to any mailing list broker that offers them a fair price. The mailing list broker will then rent this list to anyone else in that sphere of business would wants it.

Suppose you buy goods from company "A". This list, with your name in it, is then rented by company "B". If you subsequently reply to any of "B's" mailings you will also appear on company "B's" list. You are now on two separate lists. If you subsequently reply to any other offer made by other companies, you will also be on their lists. Thus, in a short period of time, it is not unusual to be on several mailing lists at the same time. Assume you are on four lists - A,B,C,D. Each list will probably be "purged", i.e. it will go through a computer to try and avoid duplications before offering it for rent. However, a computer is stupid. It will assume that A.B. Smith, AB Smith, A.B Smith, AB. Smith and AB.Smith are all separate, independent names, not duplications. Now multiply this by all the address variations and you can see why it is almost impossible to avoid name duplications simply by purging.

Your broker may buy in lists A & D for the Kick Start programme. Each individual list may be purged, but they cannot always put A and D into a computer and cross-purge because sometimes the names are not released in a format the computer can recognise, or they may have bought only a proportion of each list. Thus some duplication from each list is inevitable.

The broker, having bought (and flagged) lists A and D as having been used for Kick Start, will then buy lists B and C. Guess what? Your name is on these also. Duplication from a particular source is reduced by flagging that source once it has been used for Kick Start. When a second source is used, some names will be still be present that were on the first source, and so on. Inevitably therefore, even the best source of names will result in people being mailed more than once. It is a price you have to pay and cannot be avoided in direct mail.

What Labels should you use?

Ask for laser labels or NLQ (Near Letter Quality) labels. Laser labels are a better quality label and look superior the cheap dot-matrix kind. Secondly mention Kick Start and ask him to exclude any previous names used by yourself (in previous orders) or indeed by any other person ordering Kick Start names. Remember that you are only "renting" a list of names for one-time use only. When one of the names responds to your mainshot then that name is definitely yours for any future use.

Getting new names

I am now going to tell you the big problem with any kind of agency-operated home publishing plan – getting mailing lists. It isn't impossible, not by any means, it just takes a little time and perseverance. Indeed you have little else to do if you think about it. The product, in this case *Living Free*, has been written for you, so has the advertising copy

and all the systems are in place and working for you. The only downside is getting the right mailing lists. Here are two tips: A few good names are better than a lot of bad ones, so take your time and deal with good names from good brokers, and get new names from your own sources if you can, as discussed below.

There is a technique for getting brand new names and it can be a nice little earner if you do it right. I know someone in Jersey doing exactly this business. It goes like this.

Assume you have a small book on some aspect of small business, such as *How to Create a Killer Mailshot*, or something similar. This book can be written yourself by downloading all the available information from the Internet. (Incidentally, you can get heaps of free books by searching the Internet for "free books".) Using this small book as a tool you can place small ads in magazines like *Exchange & Mart* or *Dalton's Weekly*, offering the book for sale at, say, £10 or less. Indeed you can even use the website techniques discussed in the Home Publishing Revolution to sell it as an eBook, or supply it by email. The delivery world is your oyster.

The object is to place the adverts outside the normal bizop world mags (these people are on mailing lists already) but within those magazines or newspapers that *newcomers* may be reading. The two magazines mentioned above are prime candidates but there is nothing stopping you using your imagination.

Don't expect to make a profit on these sales. That's not the idea. It is *the list* you are after, not a profit on the book. The idea is to gather a large list together of people who have bought a home business type book/manual and offer *the list* to another mailing list broker. A large mailing list can produce many thousands of pounds in rentals for you. Of course, before you release any such list, use it for yourself by mailing them your back-end product – say Kick Start, or any other programme you are promoting.

This is a very good way of getting your own mailing list together.

Mike Chantry of Hilite Direct Marketing Services has kindly allowed us to place a copy of his eBook – 75 List Ideas – on our website at www.homepublish.com. Go to the main home page for the link. This booklet offers excellent advice from an experienced and successful mailing list broker.

Getting smaller list quantities

If you don't want to buy 3000+ names (Usually a broker's minimum) then form a *list buying group* and split the cost, and the list, with others. Send us your name and address and we will place your details on a list buying groups page on our website where you can contact (or be contacted by) others who may want to form a group. Please note this is just an introduction service for people to form self-help groups. We don't get involved with buying or distributing lists ourselves.

Alternative suppliers

The mailing list industry is rife with spurious brokers and getting worse by the minute. You can buy your names anywhere but always test small quantities first. If you get more than 5 "flamers" per thousand (I've had two in 40,000!) then regard the list as suspect.

It is very difficult to give the names of decent brokers who supply small list quantities, but the best way of getting such brokers is to subscribe to several of the small Business Opportunity Magazines that are currently available. I list the best of these below. Sometimes, ads for mailing lists appear in their pages and as these magazines take a dim view of scams, they are most likely to be reasonable list broking companies:

Money Master Magazine. GBC, PO Box 34, Southend on Sea. Essex. SS2 4AP.
Tel: 01702 614029. Editor: Shirley Garlick

The Mill Advertiser. 5 Hudson Close, Dovercourt, Harwich, Essex, CO12 4XJ
Tel: 01255 551017. Editor: Brian Rayner

Home Business Success. 3 Beech Court, Beccles Road, Worthing, W.Sussex BN11 4AJ
Tel: 01903 239993. Editor: Anne Griffiths

On the Internet go to:

www.list-link.com
www.whichlist.com

Streetwise Marketing also rents business opportunity mailing lists.

* * *

BREAK-EVEN CALCULATION.

The full *Living Free* course costs £28 per month for 11 months (£308) or £280 for those who wish to pay in advance. Using the more common £308 figure, if I include the cost of each part, each client would produce a gross profit of £200. This figure includes all costs except the mailshot expenses. If our mailing costs £480, then what must the minimum number of paid up clients be in order to break even? Simple, £480 divided by £200 = 2.4 clients – i.e. the first 2.4 customers pay for the 1000 mailshot.

Thus I need a 1000 mailing to produce at least 3 clients. (0.3% response). This is only a rough guide but anything above a 0.3% or 0.4% response to your 1000 mailshot is most likely to cover all your costs. Current sales figures show an average response for one

mailshot of approximately 1.25% *but this is without any form of follow-up letter*. A recent follow-up increased a response from 1.1% to 1.95%.

A *follow-up mailing* is when you send a reminder letter to a *previous enquirer*.
A *repeat mailing* when you *re-rent the same mailing list* and send the same, or similar letter to that list all over again.

Why should a follow-up mailing produce more? Human nature. Your offer will arrive on someone's doorstep on one day only. If that person is not in the right frame of mind, then the mailing won't produce a result. On the other hand the same person may be perfectly receptive a week or so later because their mood or circumstances have changed. The response to a follow-up mailing will probably not be as good as at first, but you will still get a response. It's also OK to repeat-mail the same mailing list twice, with some time in between.. Often you won't have to pay the full rental price for a repeat mailing which helps compensate for the reduced response. A follow-up mailing *must always* be made to someone who has enquired for more information but who hasn't yet bought. This is because you don't have to rent the name again, you already "own" it because they responded to the first mailing. It is therefore much cheaper to re-mail *enquirers*.

STEP FOUR

You are now ready to go into business. The sequence of events is this:

(a) Send out approximately 1000 teaser/flyers in DL sized white envelopes with either a name label on the front of it, or better still, a hand-written address. The *teaser* letter, or flyer, is a one-page letter that is only designed to get interested people to enquire for more information.

(b) The normal response to the teaser/flyer is 10%. This means you should, with a decent mailing list, get approximately 100 *enquirers* asking for more details.

(c) Then send out the bigger MAINshot and application form to these enquirers. The *mainshot* contains the full sales message, plus the order form. The mainshot response will, on average, be approximately 10% of the enquirers. This means that 10 people may send you their application form and cheque. Thus the overall final response can be estimated at 1%, which is 10% of 10% of 1000.

(d) If ten have bought the product, you will have approximately 90 names left over who will have enquired for more details but not responded to the mainshot. You will send these 90 a follow-up letter with a special offer.

(e) Finally you may wish to phone the leftovers who listed their phone number. More on all this later.

Send out the "teaser" letter by itself. You don't have to send out 1000 in one go, you can send out a few weekly as costs permit. The object of the teaser is to find those people who are seriously interested in receiving more details, not just bored time wasters.

In the teaser we outline the benefits, and keep them guessing about the details. That's why it's called a teaser. Then, using a coupon to make it clear, invite them to ask you for details or direct them to your website. Do not enclose a stamped addressed envelope. Do not make it easy. In fact, ask them to enclose a first class stamp for the return postage (send the details anyway, whether a stamp is enclosed or not). Why? Two reasons. You want people who are genuinely interested, and you want to avoid FLAMERS.

Flamers

For some strange reason flamers are rarely mentioned in books or articles about direct mail. So here is the flaming truth, printed probably for the first time.

It doesn't matter how nice you are, or how good a service you are offering; it doesn't matter if you are genuinely offering £5 notes for only £1, and it doesn't matter how much you paid for your "hot" list of special names. It doesn't matter if you are a born-again Christian offering the Gospel, or simply an honest person trying to interest someone in a good idea. Whatever you do in direct mail, through no fault of your own, you are going to get someone annoyed. In fact this is true of *any* business if you think about it.

If you send a mailshot to *any* list of names, particularly if you included a return envelope, the first replies you will get back will probably be returns, that is aggrieved people stuffing your offer back in your return envelope and sending it back to you, with you paying the postage. Actually these people are OK. Annoying, but still OK. They are exercising their right of free speech, just as you were in sending them the mailshot in the first place. That's quite fair.

What really is uncalled for are the antics of the flamers. Flamers are people who not only send your stuff back but take warped delight in writing obscenities over it. These people are very sad, with big problems, and despite asking many experts I cannot fathom any reason why someone should sit happily watching a TV ad for Kellogg's Wheaty Bangs and then go into a fit because someone sent them an ad in the post. Flamers have serious life problems and are blaming the world for it, not themselves. So, if your first mailings produce the occasional "Angry of Mayfair" letter then worry ye not. This is normal. They're not - you are.

Very occasionally (I've had one in 12 years) you will get someone threatening to write about you to some authority or other. If so, please send the letter and the name and address of the person concerned to me. I have a standard letter to send to such people plus a few freebies, which is probably all they wanted in the first place.

So saying, you can stop most flamers in their tracks by sending out a teaser/flyer first without a return envelope, then you can be 99% certain that the people responding are serious. Your response will be less, but they will be eager to receive your material. If you enclose a reply paid envelope with a teaser then expect some unpleasant returns. Ignore clever dicks who send you used stamps. You know they are not serious. Replies with no stamps may be an oversight. Send a mainshot second class mail. Ignore people who want to do deals with you – such as pay as they earn. They are missing one of the rules of life mentioned in the course – you cannot expect a fire to produce heat unless you provide fuel first.

There is a second valid point about using the two stage teaser-mainshot technique. Sending a teaser to 1000 people in a DL envelope will produce about 100 enquirers. This means you send the big mainshot to only 100 people not 1000, and the final response rate of 1% or so in actual customers works out cheaper than sending a big shot to the original 1000 names. This is called the two stage technique. It's cost effective, and cuts out the idiots.

The teaser should use YOUR address only. This avoids confusion and will not put off the customer because he isn't laying out any money or commitment at this stage. An extra sheet is included in the mainshot reply which will explain our marketing program and dispel any fears they may have about dealing with an agent.

Free Previews

The old system of selling courses involved the customer buying part one and being offered a no-quibble refund guarantee if they didn't want to continue. Our system is better.

Digital technology now allows us to offer potential buyers free previews either by allowing them to download the first parts free from the Internet (as directed in the advertising copy), or, on request, you can send them a free CD with the first two parts on (plus all the locked files). This cheap and easy system allows the customer to examine the goods, at it were, before deciding to continue. This shows we have confidence in the course.

Some people will not have computers. They can have the hard copy versions of parts one and two at the normal price of £28 for the two, which is offered on a genuine 30 day full refund guarantee.

Costings

The following costings were calculated at the time of writing (2002) and show you how the £480 per 1000 mailing figure was worked out. All stationery supplied by Viking Direct. Print costs using local, non-bulk print services:

The Teaser – per 1000

DL Envs, £8 per 1000.	£8.00	
Single sheet printing, 3.5 p per side	£70.00	
Stamps £0.19 each	£190	
Names average	£180	
Total		£448.00

The Mainshot – per 100

C5 Envs, £26 per K	£2.60	
4 sheets, printing 3.5 p per side	£28.00	
Stamps (supplied by enquirer)	£00.00	
Names (Ditto)	£00.00	
Total		£30.60
	Grand Total	£478.60

Single Stage Mailing Comparison – 1000 mainshots

C5 Envs, £26 per K	£26.00	
4 sheets, 3.0 pp side	£120.00	
Stamps	£190.00	
Names	£180	
Total		£516

(Pros: Less work.)
(Cons: More flamers, £36 dearer, *No extra enquirers to re-mail*.)

Vat is not included in the above figures. See why you should register for Vat later. These are local prices available to me with an uplift in case I have better prices. Some of you will pay more than this depending on your area, some less. The above is a reasonable average.

The Teaser Envelope

The envelope must be white, size DL, which is a standard A4 sized page folded into thirds. For the perfect envelope, the person's name and address should be hand-written in blue ink, with red lines over and beneath the address. The stamp should be 2nd class for the teaser, first class is better, but I don't think the extra cost is worth it at this stage, particularly as it doesn't seem to get there any faster.

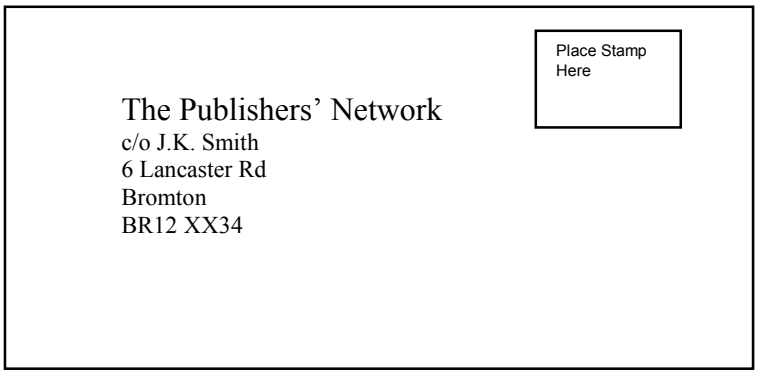
Why all this attention? Because the best mailshot on earth is worth nothing if it ends up in the bin unopened. This letter looks personal, urgent and it will be the first one opened. Above all else it does not look like a mailshot. No-one is interested in mailshots, but they are interested in personal letters. If the person concerned receives more than one offer that morning, statistically he/she will tend to go with the first one they opened, provided it was good. It is not possible to give large mailshots such personal attention. If you have to compromise, then use good labels.

Step Five - The Mainshot

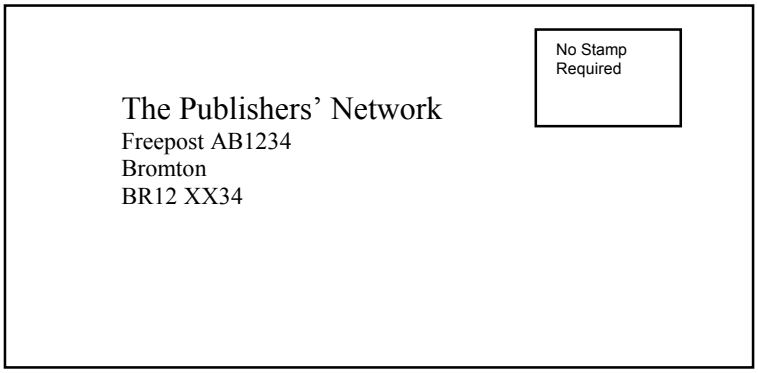
When you get the teaser coupon back send out the mainshot with an application form. Hand-write the enquirer's name and address on the envelope. Use a white C5 envelope (standard A4 page folded in half) together with the first class stamp provided by the enquirer. That's all you have to do.

I don't feel that enclosing a return envelope makes any noticeable difference to the overall response. I don't use one, but I do have a *freepost* address. If you decide to include one, ideally you should use a white DL envelope inside your mainshot. This envelope can be one of two kinds: Self Addressed; or Freepost.

Self addressed:



Freepost:



A freepost envelope looks very professional and allows you some anonymity without looking as though you are hiding. To obtain a freepost licence look in your local telephone book under "Post Office Business Centre" or just telephone your nearest main Post Office who will give you the number. The licence costs approximately £55 per year, and each letter returned to you will cost 0.5p more than the postage rate printed on the envelope. You will have to pay the Post Office in advance by having an opening balance. This will be about £50. Try to avoid using a PO Box. People like to know where they are sending money to, and a PO Box address will put them off.

RESPONSE TIMES

The response time is the time it takes for people to reply to your mailing. I have two response times. One is the time taken to reply to the teaser/flyer letter, and the other is the time taken to reply to the mainshot (i.e. send in the completed application form).

I now always use a "buy it now carrot" in my advertising. This is a technique where I either offer a discount on the "full" price if the prospect replies quickly, or I offer some free giveaways. The advent of e-Books, digital downloads of books which can be supplied for free, makes giveaways a very easy thing to organise. This technique is like the MFI Sale – it never ends. But it works.

I don't bother even looking at the figures until four weeks after all the teasers have been posted. By this time the majority of teaser replies will be in. From experience this initial response rate is about 10% of the total. Depressing isn't it? 900 people out of 1000 won't even bother to respond to the first teaser/flyer. Yet think of how many people walk past a typical shop without going in - most of them. But enough do go in to make that shop worthwhile, and if you operate a mail order campaign properly it too can be very worthwhile indeed.

It should be said that even after four weeks, stragglers will still come in. I have had stragglers come in over six months from the date of mailing. These will boost the total response.

If you get approximately 10% response to the teaser then this indicates that the mailing list was reasonable. Of course only the final figure gives the truest response, but this is a reasonable guide. A guide, remember, is just that. You can still get a 10% response from a list of inquisitive, but uninspired people who keep what little money they have in their pockets. (Actually most people do not keep the money in their pockets. It burns a hole in it and they spend it on junk. But that's another story.)

The same principle applies to the mainshot/application form. Expect the final figure from this one shot alone to be reached about four weeks after the bulk of mainshots are posted. In fact I am going to hurry up this process in two powerful ways, as follows.

Step Six. The Follow Up Letter

Approximately three weeks after sending out the bulk of the mainshots, send those enquirers who haven't replied a follow up letter. A copy of the latest follow up letter will be in your master set that will be sent to you after you send in the licensing agreement. For contrast I print the follow up letter on high quality 100 gsm brilliant white paper.

In the general world of marketing it is a statistic that by the time you have made *seven* follow ups, you should have converted 50% of all enquiries into customers. Now that's a powerful statistic but it's true, and the *type* of business makes little difference. What it also tells you is that many potential customers "teeter on the brink" and *a consistent follow up programme pays benefits*. Also don't forget that the market thinking changes. One day Mr Bloggs will be just on his way out and will bin the letter. On another day he may read it while he's in a bad mood. On a third day he may just be receptive to a new career. This is why follow up mailings work, by allowing your letter more time to catch the reader in a receptive mood.

This requires some recording on your part. Every time you send out a mainshot, file the torn-off teaser reply slip in date order. In this way you know when to send a follow up letter. Use the teaser slip as the filing system. You can, of course, type the name into a special follow-up computer database.

THE RULES FOR DISCOUNTS

Please note this carefully because some agents have fallen foul of it. If all agents were allowed to offer their own discounts, then each agent will be entering into a price war. Competition kills profits. The idea of the agency is to give everyone a level playing field.

All Agents must offer the same discount, and that is the price discount for those customers who wish to pay in full for the course, instead of by Standing Order. Extra financial discounts (e.g. 10% off the cost of the course) are not allowed. However, if any

agent, using their own initiative, decides to offer a free giveaway, whether it be an eBook or software, then that is entirely their own affair, however they MUST point out to the reader that these offers *are specific to the agent, not PhilDee Limited*. All advertising copy created by an agent, web-wise or otherwise, or amendments to existing copy MUST be agreed in writing. I regret that I must reserve the right to withdraw an agent's facilities if I feel that the agent has infringed these rules.

Credit cards

Without doubt, adding a credit card option (also called a *merchant account*) for your customer to pay you is well worth it as it does increase response over the "send a cheque" system. However it can be difficult to organise. There are two ways you can install a merchant account system. One is in your home, and the other is on your own website on the internet.

The home option is long winded and expensive. Unless you have an established business already I do not recommend this option. It involves hiring a terminal (a swipe machine) set up in your own home so that you can key in the buyer's credit card details as you receive it by fax, phone or post.

The internet option is much better but obviously requires you to have a web site such as the kind shown in session nine of the Home Publishing Revolution course. At the time of writing you can get a full merchant facility by trying www.worldpay.com. This is much easier these days but it will cost you approximately £100 to set up. A cheaper option is at www.nochex.com, or www.paypal.co.uk which is the one I recommend (at the time of writing) for new start-up businesses. Nochex/Paypal are not a full merchant facility, it's a go-between arrangement. Worldpay does have the advantage of allowing you to process orders you originally received in the post. You do this by logging onto Worldpay through the order page of your own website and supplying the customer's details as if they were doing it themselves. You cannot do this with Nochex or Paypal[2].

FOLLOW-UP PHONE CALLS

It is important to ask for the telephone number of the prospect on the teaser. If you want to increase your response by the maximum amount then there is no better way than to make a quick telephone call. Recent studies have shown that the response to any form of advertising can be increased by as much as five times, simply by giving the prospect a human voice to talk to.

There is much black art and downright nonsense written about telephone canvassing. An ex-business colleague used to have extraordinary success at selling simply because he sounded like a complete amateur (which he was). His lack of guile and innocence pasted over cracks in his sales patter. We have all had experience of the "professional" telephone

[2] PayPal is probably better because they accept more card types, but use the UK version paypal.co.uk

salesperson whose reading from a prepared script lacked all forms of sincerity. Indeed the hallmarks of a good salesperson are sincerity and innocence. The only extra qualities required are knowledge of the product, and belief in it.

Approximately two weeks after sending the follow-up letter, take a note of those prospects who have not yet replied and cross-reference them with their original teaser slips to see if they wrote down their telephone number. Take one hour off each evening and give *one* of them a quick call. Do not read the script below over the phone. Just memorise key words and be as natural as you can.

You:
Hello, is that Mr(s) Bloggs?

Prospect:
Yes (if No, then find out when he or she is in and say you'll call back. Don't offer to explain to anyone else why you are calling, it's a waste of time. You'll have to explain all over again to the main man who will have had a half-cock version from the first speaker.)

You:
Hello, I'm sorry to disturb you. My name is X. I'm an agent for The Home Publishers' Network. A few weeks ago you were kind enough to write off for some information on a course we offer called Living Free. Does that ring a bell?

Prospect:
Yes. (If No, remind him about the flyer and the mainshot. Of course it is possible the mainshot got lost in the post. If so, offer to send another immediately. If he wants to talk leave your number for him to call you back with any questions after he's received the mainshot.)

You:
Well, the only reason I'm calling is to make sure you received the information. If you want to ask me any questions at all please feel free to do so. If you want to take a note of my number you can call me back any time you want to. Now shut up and listen. Don't go rambling on.

The point is that this is not a sales call. It's an opportunity for the person concerned to make contact with a real human being. You now simply have to answer the questions as honestly as you can. Keep reinforcing the point that it costs nothing to find out more because part #1 and a preview of part #2 is now free on CD or the Internet.

You are bound to be asked what it's all about. If you have no choice but to answer then read out this personal quote from me, the writer of the course.

When you were at school the one subject you most needed to learn wasn't provided. This is a deliberate ploy. This one subject would have made a huge difference to your life. Imagine knowing how to double your income, not just once, but every year. Imagine deciding how much money you want to earn –and simply earning it! How about retiring financially independent with enough money coming in from non-job related sources to keep you in style – within 60 months from now? All this, and more is perfectly possible.

Why are you never taught how to do this in schools? Or anywhere else? I'll tell you. The "system" is there to keep the majority poor - and therefore controllable.
You've been conned. We've all been conned. We've been conned by a "system" that wants us to depend on it. As a result it will always keep you poor, like a pet dog. Just enough to live on, always on a lead. Never free.
If you were well off, you could do what you liked. For example, paying tax would become a matter of personal choice, not an obligation - but the "system" can't live with that idea so it's certainly not going to show you any alternative.
I will. I have already shown over 8000 people some serious alternatives. Some have increased their income by £120,000 as a consequence. Indeed anyone can make another £500 a month starting right now. No special skills needed.
I will teach you the one subject you will never be taught elsewhere - It's called Wealth Creation. By reading my unique Living Free course I guarantee to protect you from some serious conmen who have been making thousands poorer every day. Then I'll show you how to make money - How to become free to live. Do join us. At least take up our offer of a genuine, no-risk preview. This is quite unique. If you would like to know how you can become debt-free within 60 months, and then go on to retire without any money worries whatsoever – then read this course.

Of course the next question raised by your prospect is "Well, are YOU rich yet?" The answer should be "I'm on my way." If the prospect asks "Do I have to do as you do?" or "Is this another business opportunity?" say definitely NO. Ninety percent of all members buy the course *for the information alone*. They are not agents and the agency is only for those people who like the idea. At the end of the day, the fact that you took the time to call, and were prepared to be open with your answers, will speak volumes for you.

Research by the Marketing Guild has shown that seven follow-ups, of one kind or another, produces an average of 50% response. I rarely do more than one follow-up but new agents should do everything they can to repeat the message to those who initially responded to their teaser letter. In this way even a poor initial response can be "rescued". This is a business, and you need to be professional.

OTHER ADVERTISING

Direct mail is only one option open to you. You can try magazine advertising. On the whole I feel that Direct mail, as I have suggested, is the most reliable method. However some general information on magazine advertising will be more than useful if you take up Phase II of this programme. You will find that parts of the Living Free Course will contain further information, but in keeping with our double value philosophy I have included some extracts from part #6 in this book that, in financial terms, has saved new Mail Order entrepreneurs many hundreds, sometimes thousands of pounds:

How to get cheap advertising

Having decided which "trade" magazines to advertise in, get them to send you a copy of their rate card. This is the published price that they want for classified advertising. Often this is in terms of a price per single column centimetre or SCC. Now work out the size of

advert you want to run based on TWICE the cost you want to pay. For example if a box 2cm square (4 SCC [Single Column Centimetre]) costs £200 on the rate card, but £100 is all you want to pay, then prepare an advert this size, preferably on your laser so that it is camera ready and send it with a cheque for £100 to the magazine concerned. Tell them to keep it until they have "remainder" space available and then print it.

Every newspaper and magazine depends for its livelihood on advertising revenue, and often when all the articles and adverts for a particular issue have been accounted for there is some "free" or "remainder" space left at the end that *must be filled* before the magazine goes to print. By sending in one, or better still a variety of shapes and sizes of advert for use with "remainder" space, you can be offered much cheaper rates than ordinary rate card prices, often as low as 20% of the card price. In this way, with patience, you can get very cheap adverts which are bound to be profitable. NEVER pay rate card unless you want to test the response of an advert quickly. You will lose money. The only exception to this rule is newspapers or magazines that specialise in adverts, such as *Exchange & Mart* , *LooT* or *Snapper*. They do not have stories or articles, they just specialise in advertisements and their prices tend to be standard. Don't go for the "Run it for three nights" discount either. Despite what anyone says, an advert *stands or falls on its own merits*. Repeating a duff advert just loses more money. Test a series of different ads until you find one that makes money - THEN repeat it.

New Customers

You will need to be organised with regard to your record keeping. Your "tools" of the trade will be a card index, (or computer database) and a list of clients on a separate sheet of paper. You will also need a highlighter pen or coloured marker. The card index will look like this:

NAME: Charles Windsor **REF:** 101 **TYPE:** Standing Order
ADDRESS: 1 Windsor Castle, London. W1 1AA
Bank Details: Bank of England, Chancery St. London.
Sort Code 01-01-01 **Account No.** 00000001
Application Form rec'd on: 21/7/01
Method of payment: Standing Order **Mandate sent to Bank:** 21/7/01

Date	Payment Rec'd	Part No	Sent On
24/7/01	£28	1+2	24/7/01
6/8/01	£28	3	6/8/01

Even if you set up a computer database you may find a simple paper record sheet useful. Please note that you should register with the Data Protection Registrar if you keep anyone's records. The address is:
The Office of the Data Protection Registrar
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF
Tel: 01625 535777

Here is the sequence of events to follow as soon as you receive a completed application form and cheque. Examples of the documents mentioned are at the end of this manual.

1. Give your new client **a reference number**[3] of your own and write it on: a) The centre section (bank mandate) of the Reservation Certificate. b) The record card or database. c) The letter to the new member's bank (bank letter), and d) The Welcome Letter to the new client. (Examples enclosed). It is better to start your reference number at a point greater than 1. Start at 10, or 100. Now cut the whole application form into three parts. The top part is the application. The centre section is the bank mandate. **The bottom section is for clients who have paid in full (in which case no bank mandate is required**).

2. Write the **reference number and the date of the mailshot** it came from on the top part of the Reservation Certificate and file it. Keep an eye on this by writing the date of the mailshot on every certificate you send out with the mainshot. That way you can tell a) which shot gave you the best response, b) the best month to trade, c) which mailing list supplier gave the best result.

3. Enter details on your card index or computer database.
(*I have a legally distributable copy of Lotus SmartSuite which contains Lotus Approach – the same database I use every day. In addition I have the "views" or templates of the index card that I created for my own use within Approach. These are available on CD for £12+Vat = £14.10. Please ask for Lotus SmartSuite Plus Phil's Templates. You can order using a credit card on 01663 763817.*)

4. Make out your bank letter and also your welcome letter. (There are two, one for hard copy buyers and one for digital buyers). Check that the date of the next monthly payment is the same on the bank letter as on the mandate. Use a highlighter pen to highlight your reference number on the mandate and the bank letter. You'll see why later. Clip the mandate part from the application form to the back of the Bank letter.

[3] Suggest the suffix H for hard copy buyers and D for digital buyers – e.g. 1234D

5. FOR HARD COPY SALES. Post the bank letter to the *client's* bank (not yours). If you are ordering the client's session materials from us, then post the welcome letter to the client. If you have your own stock of materials, send the welcome letter with part #1+2.
   (*The client will already have downloaded or received hard copy of part #1 and perhaps also the part #2 preview of Living Free course, either from the Internet or from you on CD or course parts posted by you. Only part #1 is free, so the first £28 payment is for the hard copies of Part #1 and 2 together*.)

6. FOR DIGITAL COPY SALES. Post the bank letter to the *client's* bank (not yours). Then post the digital copy welcome letter (or email it) to the client. **If the customer has paid in full**, they should now read the README1 file which they already have either on CD or Internet download. They will now send you the two codes required. If you are satisfied that the customer has paid, send the email to us. Your email should be sent to:
   agentcode@phildee.u-net.com OR agentcode@homepublish.com
   The text of your email should read:
   ***
   I am a licensed retailer for the Kick Start Programme
   My name is ...
   My Address and postcode is ...
   I request the Authorization String for the following:
   Product ID (Insert the ID sent to you by the customer)
   Input String (Insert the Input String sent to you by the customer)
   ***
   You can set this up as a standard email on your system.
   YOU MUST ALSO PAY FOR THIS KEY IN ADVANCE. We will not give out A. String keys without checking payment first. You can pay by credit card or cheque (see later).

   If the customer is paying for monthly digital instalments, they should now read the README2 file which they already have either on CD or Internet download. They will now send you the two codes required for PART 2. **If you are satisfied that the customer has paid for part 2**, send the email to us. Your email should be sent to:
   agentcode@phildee.u-net.com OR agentcode@homepublish.com
   The text of your email should read the same as above:

   You can set this up as a standard email on your system.
   YOU MUST ALSO PAY FOR THIS KEY IN ADVANCE. Part one is free and the customer already has it. He is paying now for part two so you should receive £28 for part two. This will either be by cheque or his first SO payment. From now on, as you receive payment each month you should send this standard email to your PAID customers for that month.

***

Hello. This is to thank you for this month's standing order payment for the next part of our best-selling Living Free course. We confirm your payment has been received. Now please double click the next part of your course (filename will be LF*N*.exe where the *N* is the next part number you require.) Please refer to the README2 file on your desktop).
As soon as we receive your Product ID and Input String for this new part, we will send you the Authorization string to open it.
Thank you
Agent's name
***

We will not give out A. Strings without checking payment first. You can pay by credit card or cheque (see later).

7. I tend not to wait until a £28 cheque clears. I have never had more than a handful of bounced cheques ever. Also the client has entrusted you with £28. The least you can do is to return that trust by sending parts #1+2 or the A String key straight away. I send the welcome letter with part #1+2. This letter can also be sent by email to digital buyers. You can either have a small stock of part #1+2s or order them straight away using our order form.
   This does not apply to *PIFs* (People who pay in full). **I wait for PIF cheques to clear**. PIF's, naturally, receive the complete course after their cheque has cleared. (Send PIF's a postcard or email thanking them for their order with a 21 day delivery time for hard copy.) Send your stock order, together with a cheque (you can also pay by Credit card – see order form) to:

   PhilDee Ltd, Agency Supplies,
   2 Hilton Road
   Disley. Cheshire SK12 2JU

Please include TWO self-addressed, adhesive labels. (See Ordering Materials.)

Parcel Post - Important note
We normally use parcel post. Please note that this service normally takes 7 - 14 working days to deliver. For speed we occasionally split orders and send them by second class packet post in separate jiffy bags. Which system we use depends on the size of the order. If you decide not to buy-in a small amount of stock in advance of orders received, then you must advise your customer by way of a postcard or a comment in the welcome letter, what delivery time to expect. If you don't do this you will get complaints.

Checking the bank

You will notice that the application form requires the client's bank to process the standing order on the 10th day of each month. Using this method you only need to check once or twice to see how many standing orders (also called "Bank Giro Credits" or BGC's) have

actually come into your account each month. (Note this is a different routine from new clients, whose cheques can come in anytime.)

The simplest way is by waiting until the 14th of each month, phoning the bank and asking if they can tell you which BGC's have gone into your account. You may need to do this each day for another four days. They will give you the date, amount and reference number (without the reference number you cannot tell who sent you the money or whether they are digital or hard copy buyers, *hence the importance of highlighting the reference number on the mandate and the bank letter*). Tip: If the standing order is made out for the 10th day, expect it to get through to your account on the 12th day - however this is only a guide, it can come in at all sorts of times. Always check your bank statement in case you miss a payment.

It is very important to do this promptly. Do NOT wait for the bank statement, this is only written confirmation and will arrive too late to process the orders. You must not keep your client waiting one minute longer than necessary. Phone your bank, and send the parts or key request emails off promptly to the reference numbers that have come in. Once you get the "feel" of particular clients, you will be able to establish in advance whether the payment is coming through and order any hard copy parts in advance. This will be your judgement. Tip: If a client doesn't pay in a particular month it does not necessarily mean he or she has dropped out. It is not unusual for the payments to restart the following month. I wait until payments have ceased for three consecutive months before I take a client off our records.

Just a few years ago all this mucking about with statements and bank payments was done manually. With the advent of the internet you can now, for a price, sign up to internet banking services that allow you to view your account on-line. This is a perfect solution to finding out who has paid on time. It would be well worth the search to find an internet bank that allows you to take in Standing Order payments and view the account on line. If you can get it for free then go for it every time.

Standing Order Overruns

Once upon a time, banks were efficient, reputable organisations and bank managers were experienced judges of people and the businesses they dealt with. Now banks are less than efficient, disreputable and their managers little more than insurance salesmen. Nothing will make this more evident than when one of your customer's Standing Order mandates overruns. This means that, even though the Standing Order mandate (see example at end) clearly states that the monthly payment should be made no more than 11 times, the bank concerned keep on paying beyond this period. With the one exception mentioned below, *this is entirely the fault of the bank*, but they will try to get you to correct their mistake at your expense, and they will make it sound as though this is not their problem. Quite frankly – they are trying to rip you off. Unfortunately for them, you're not going to let them. Furthermore, you can charge *them* for the error. I've been doing this for years now and it makes a refreshing change to be able to beat them at their own game. It goes like this.

Instead of paying Mr Bloggs' Standing Order 11 times, his bank pay it 12 or 13 times until Mr Bloggs writes to *you*, saying you've "overcharged" him. You write back pointing out that you have no control over standing orders so he must contact his bank immediately stating that *they* are in breach of his SO mandate. As a result his bank will have to refund him directly themselves because it was their fault in the first place. (Quite often the bank will actually tell Mr Bloggs that *you* should refund him. This is cheating, to say the least. Refuse to do so. The bank must refund their own mistakes.) I also tell Mr Bloggs that the bank are also required to refund him any bank interest on the money they have incorrectly taken out of his account.
A short while later you may receive a letter from his bank basically telling you to refund the bank with the extra money which they had inadvertently sent to you. This you do, BUT make a deduction to cover your time and trouble. Here is the text of my typical bank refund letter:

```
Address, reference numbers, account details etc.
Dear Sirs,
We are in receipt of your letter dated (date) in which you
point out your error in overpaying our mutual client's
standing order mandate. After investigation we can confirm
we have received X payments of £28, total £Y.
We enclose our remittance in the sum of £Z, this being the
total sum £Y less a charge of £10 per item to cover our
administrative costs, a charge which is in line with the
charges levied by our own bank in their published tariff in
similar circumstances. We trust you will find this both
reasonable and in order. Yours etc.
```

In over ten years I have only had one complaint from one bank who had the audacity to claim that I had earned interest on *their* money. I responded by saying that a) when they offered interest on current business accounts I would be happy to change banks, b) what I did with funds generated by their own stupidity was none of their damn business, and c) I suspected my MP and the Banks Ombudsman may be very interested in a case where a major bank was at best highly inefficient and at worst operating a cover-up that was tantamount to fraud. I got an apology. You may well be wondering why Banks are trying to make everyone pay everything by Direct Debit instead of Standing Orders. Now you know – it's me.

Standing Orders and initial cheques

The Standing Order form asks clients to remit a cheque with their order to speed up the process (otherwise you have to wait until the SO comes though). The SO form states 10 payments in total, which assumes a cheque or other form of payment was received with the order form. If the client omitted the first instalment the easiest solution is to ask the client for this remittance immediately after they have completed the 10th payment (i.e.

after they have received session 11) so that they can receive session 12. It is very rare for someone to take 11 parts and not want the last one.

Standing Order cancellations

Sometimes a bank will write to you saying their client cancelled the SO last month but they (the bank) were too late to stop the payment for this month. If so, check out if you have already sent the next part to the client. If you have, then you have no need to refund the bank. Here is the text of my other bank letter:

```
Dear Sirs,
We are in receipt of your letter dated … in which you
pointed out your error in forwarding the sum of £… with
regard to the above Standing Order mandate. Unfortunately,
on receipt of these funds, having had no notification of
cancellation from the client, we processed the order and
sent the client goods and services as specified in his/her
original instruction. We regret that as these goods have not
been returned we are unable to take responsibility for this
mistake. Yours, etc.
```

Of course, this only applies to bank errors. If the customer has made an error, say, in advising his bank too late, then you should remember that good public relations are often worth the cost of an occasional refund, and pay the customer accordingly.

Refunds

If there is any element of doubt regarding who is responsible then assume the customer is correct and make the appropriate refund. This will normally only apply in the case where a standing order is paid that shouldn't have been, due to the customer's doziness. Occasionally you will get a request for a refund that I usually gently refuse. This is when a customer sends all or part of a course back with a note saying "It's not for them". The terms and conditions of sale are printed at the back of part one, and all potential customers are constantly reminded that both parts one and two are free to view on the internet, or on the introductory CD that the agent supplies on request. The gist of the terms is that we offer parts one and two for free and open viewing. If they don't like it after seeing these two parts then they shouldn't buy the course. If they do, then they can continue but there is no refund guarantee except in specific circumstances. In allowing open access to the first parts of the course completely free of charge (and without paying for part one with some often dubious 30 day refund option), then we feel this is not only fair, but fairer than most publishers in this area.

Stationery Supplies

It will not be economic to buy envelopes or paper from retail stationers in the high street. Use Staples, or Viking Direct Ltd. Bursom Industrial Park, Tollwell Road, Leics. LE4 1BR. They specialise in home delivery stationery supplies at discount prices. Phone 0800-424445 and ask for a catalogue - then ignore it. Every week or so you will get some kind of "Cut Price" offer or Sale offer from them. Use these to order your stationery. For example I purchased a whole bunch of laser printer cartridges that normally sell at £99.99 in the catalogue for just over £60 each. Viking have a truly phenomenal delivery service that delivers next day, even if you order at 5:00 pm the previous evening. This can help your cashflow. They will also open a 30 day account with you. A good alternative is to use a credit card provided you can pay on time and not spoil the whole idea of discounts by paying interest. Never pay interest – ever. If you really want to throw your hard earned money away please let me know because I can always find a good home for it.

When ordering, ask for a "price break" as well as the cheapest offer that month. Do NOT pay the catalogue price. A price break is a discount for quantity. You will find that four reams of paper are cheaper per ream than one ream by itself.

An alternative is Staples Superstores on 0345 386386 who have Cash and Carry type warehouses all over the country. They also do deliveries and the prices of envelopes are sometimes cheaper than Viking. Accounts are more complex but at least you can just go in and take the stuff away.

Equipment

In order to be accepted on the Kick Start programme you *must* have a fully functional email facility. **This means a computer (with printer) and an ISP providing you with email services.**

You will need **a CD reader slot in your computer**. If you have a CD writer that also serves as a reader.

You will be supplying CD's. Although you can buy stocks from us, you will find it cheaper to cut your own using a CD writer on your computer.

You should also have a reasonable knowledge of computer and Internet terminology. This does not mean you need to be a web master. It means you have to be computer literate enough to comprehend the basics of emails, downloads, and an understanding of websites.

You will need **Microsoft Word for Windows**. This is so you can alter the teaser and mainshots with your own details as you see fit. The main files are in MSWord 2000 (9.0.2720) We also supply copies on older Word versions such as Word 6 on the CD.

When you open these files it is highly likely that the page endings and formatting will have changed. You will need to correct them to suit your own settings.

Remember an older machine that is one or two generations behind the current state of the art is all you need and is much cheaper than a new machine. I recently bought a Pentium machine for less than £150. The Morgan Computer Company specialise in discount computers and second hand stock. They are based at Manchester, Birmingham and London. Their mail order department is on 0121-456-5565. Alternatively try your local computer shop who can put one together for you for less than £500.

Printers

If you are serious about publishing then do not make the mistake of buying an all-singing all-dancing computer followed by a *cheap* printer. That's like buying a JCB to dig a flower box and planting cheap seeds. Buy a *cheap* computer and a *good* printer (black & white is perfectly OK). You can then create camera-ready copies of anything you want, including all the letterheads you'll ever need. In fact you can save the cost of the whole machine by creating your own letterhead, even with a logo, rather than going to ProntaPrint and being charged a fortune for the same thing. If you have any ambitions in writing and publishing, or just want to start your own business, then a laser printer and a simple computer is the best investment you will ever make. Inkjet printers are now very good. They have two advantages over lasers, and two disadvantages. They are slower than lasers, so you'll wait all day for a long print run, and they cost more per sheet than lasers. However they are cheaper units to buy and they leave flat sheets (lasers curl slightly with the heat). The answer, if you can afford it, is to have one of each.

We supply details of the latest teaser, mainshot, and all the other documents on a floppy disk or CD. We use MS Word. With these files on your machine you can quickly insert your own address details into the documents. We do not supply hard copy print outs.

Support

I will be happy to help you with any queries but for this to operate effectively each query must be an Email enquiry. Please *don't send faxes.* Time pressure has caused me to leave the answerphone on permanently in a separate room. Sorry, but I'd never get any work done. If you want a reply please use email. Thank you for your help.

Telephone

It is up to you if you want to put your telephone number on the *main*shot.. If you want a better response rate it is better to put your telephone number on the mainshot, but don't put it on the teaser otherwise you will receive calls from people trying to find out what it's all about. Unless you are experienced in telephone sales and techniques don't put your telephone number down. It is, after all, an educational course, not a chat line. As a tip

don't say anything about the course. Point out that the agency programme has nothing to do with the course material it is just an addition to the many other ways of making money outlined in the course. Be a verbal "teaser". Be enthusiastic and just say "try it – you can have parts one and two for free".

Updates

You can check updates to agency information using our website. You will receive the special URL (web address) when you join the agency programme. Please refer to it weekly because new agency messages will be broadcast using the website.

Can it be run full time?

Yes, but don't. Full time projects are best suited to your *own* publishing projects that have already been tested part-time. It is far better to do your own thing than rely on someone else's idea. The Kick Start Programme is designed as an income generator, or a one-off hit, not a full time business. You should always start in a small way because no matter how much the idea has been tried and tested you need to gain the experience of how to handle all the different aspects home publishing. As a part time venture it can provide you with many luxuries in life and it can always be on the sidelines should you lose your full time job.

It has to be said that the only long term problem with the agency is establishing a good source of mailing lists. If you already are an experienced mail order entrepreneur, then the Agency is tailor-made for you.

PROVIDED you have a good source of mailing lists, the agency can be made an ongoing profit centre.

How quickly you build up your clients depends on how many mailshots you do but I recommend caution in all things. Unless you are experienced in Direct Mail please take our advice and build it up slowly. NEVER, EVER TAKE A RISK YOU CANNOT AFFORD TO LOSE. You only need a few extra clients to pay for all of your own subscription costs. You can use this extra cash in many other ways as the course will suggest to you. Have fun. Don't get ££££'s in your eyes just yet. *You can't get rich quick, but you can get rich with slow, deliberate planning.*

VAT

The VAT Man Commeth! But he only commeth after your total sales, in any twelve month period exceeds £55,000 (this changes every budget. Check the latest figure with your local HM Customs & Excise Office).

You can register any time you want to, but I recommend that you settle down in the Agency routine first. The digital version of the course incurs VAT at 17.5% but the hard copy version doesn't. Thus in one stroke the government are encouraging the decimation of rain forests and penalising conservation. You will not have to account for Vat until you think you will earn more than £55,000 in any 12 month period.

RESULTS

I recommend you to do just one mailshot and watch the response. It can take over one month for 90% of the teaser replies to come in. Some will trickle in up to three months later. The mainshot you send out will have a faster response. All in all you won't know the result of one mailshot until about 6 weeks after it was sent. *If you don't do any follow-ups you are throwing a good response rate away*.

If you send out more than one mailshot you must "key" the bottom of the teaser so that you can tell which list it came from. For example H-0202 for me means a list from company H sent out in February 2002. Every time I get a reply with this key on it I add the result to a chart that tells us what the response rate actually was. Also repeat this key on the application form you send out, so that you can tell which clients came from which list.

By all means try other brokers but beware, there are many bad brokers. The smaller your mailshot, the more uncertain your response will be. I suggest 1000 as a minimum to even out results. DO NOT do this if you are banking all your efforts on one mailing. If you do a 500 mailing, then the figures won't be reliable until you have managed to do another 500 at least. Even 1000 is borderline. Although I have given you accurate figures, even pessimistic figures, but figures that I can prove to be true, you must remember there is always a risk - luck if you like - in every venture. There is no business on earth that is guaranteed to be successful. But the programme does work, sometimes quite spectacularly.

SECURITY

It is possible to abuse the system by a new agent cancelling their subscription to their sponsor and still order the parts direct from us at wholesale prices. You will know which of your clients have become agents because we will tell you. To make your efforts secure all you have to do is to advise us directly of any *agent* of yours who has cancelled their client subscription to you. Check out the list of agents by clicking the Licensed Retailer's link on the main home page of www.homepublish.com. I will then flag the name and not supply further material. The onus is on you to tell us.

Integrating with other Courses

Operating the Kick Start plan doesn't have to be a one-off. There are currently several home-publishing agency type plans in the marketplace, some good, some bad, some so-so, and I will leave others to decide which is which. Either way, if you have operated any of these alternative plans before, you will already have a database of customers and many will be agents themselves, agents looking for a product to sell. Obviously you can continue (or increase) the success of a previous plan by offering the Kick Start programme to existing agents in that plan. One plan can follow the other. The only drawback is that you must IF you use our title – The Publishers' Network - for the Kick Start programme, don't offer other plans *under the same title*. If you have, or are planning to offer other programmes it may be better to start your business with your own name as the title, followed by Publishing, say John Evans Publishing, or whatever. This will allow you to seamlessly integrate different types of agency opportunities.

Buying Names

You customer list is valuable in more than one respect. If you wish to capitalise on your customer database we will pay you, per name, for your customer list. Email or write to us for more information on this option.

Becoming an Agent

In order to become an agent and be able to offer the Living Free course to customers of your own (the Kick Start Programme), you must be a subscriber to the Living Free course as well as being a member of the Home Publishers Association. This means you must also have purchased the Home Publishing Revolution study course. For more details on this course please go to the HPA website at www.homepublish.com. Alternatively please contact us at our address for written details.

By having both courses (one complements the other) you can become an agent for the Living Free (Kick Start Programme) by returning the licensing agreement and including a remittance for £85+vat (total £99.87) to cover costs, extra materials, email support and ad copy updates.

Ordering materials

- All session materials (hard copy) for your clients should be ordered using our official order form, copies of which you will find in your master set. You will receive your master set when you return the enclosed licensing agreement. (Tip: When ordering keep a copy of your order.)

- The price of session materials is printed at the bottom of the order form. A cheque or postal order must accompany your order together with an TWO address labels for every order. Also see the credit card facility below.

- If you require confirmation of posting, or a receipt, please enclose TWO copies of the order form and a stamped, self addressed envelope. The second copy will be confirmed and returned to you.

- DIGITAL. If you are buying A. String keys you can send us the email quoted above and simultaneously use our credit card hotline on 01663 763817.

Contact Numbers:

PhilDee Limited's **Fax and Answerphone** messages use the same number: 01663 766063. EMail messages on *agency@phildee.u-net.com*

Call back policy: I attempt to respond to *Email enquiries* within 24 hours during business days. Answerphone messages are noted and acted upon but requests to call back are NOT accepted unless the caller leaves precise and urgent reasons for doing so. This number is usually unattended.
Faxes are NOT replied to under any circumstances because of the number of times it proves impossible to fax back on the sender's number (i.e. they leave their fax-answering capability turned off and the phone just rings out *ad nauseam*.)

Credit card hotline: 01663 763817

Viking Direct: 0800-424445.

Summary Of Steps

1. Complete and return:
   - The **licensing agreement**. Send this directly to: PhilDee Limited, 2 Hilton Road, Disley, Cheshire SK12 2JU.
   - **Your remittance** for £99.87 incl Vat.
   - We will need to know **your HPA membership** number as well as …
   - …the name and address of **the person/company from whom you bought the Living Free course** (your sponsor).

2. As soon as we receive all the above we will send you a full set of masters on CD in MS Word format[4]. The files on the disk can either be printed out as hard copy and reprinted by your local print company, or you can have the files printed digitally by giving the files to your local digital print company. They will advise you of any technical alterations to make. The floppy will contain a *readme* file with further details.

3. The masters will contain the current versions of the Teaser/flyer and the mainshot. You will need to get up to 1000 Teaser/flyers printed (don't print more than you need. We change the Teaser/flyer regularly - always check the website (you will receive details of the URL) to see if you are using the most current version.

4. **Stationery Supplies**. You will need to purchase **1000 DL** white plain self seal envelopes from Viking Direct, Staples or similar wholesale supplier. You will also require **100 C5** white self seal envelopes for use with the mainshot. You will need approximately 8-10 jiffy or mailite **bubble bags** large enough to fit an A4 sized book. I use Mailite size 4. Viking only supply these in boxes of 50 so you may need to get smaller quantities from local stationery shops or Post Offices.

5a. You will need 1000 good **mailing list names**.

5b. You will need one copy, or a small stock, of the Kick Start Programme CD. This will contain: free previews of sessions one and two in Adobe pdf format, an Adobe Acrobat installation program, various readme files including README1 and README2, LivingFree.exe (the locked full eBook of the entire 12 part course), LF2.exe to LF12.exe (individual locked files) and various help files. If you have a CD writer you can copy this for your enquirers. Alternatively you can upload these to your own website for your enquirers to download at their leisure.

6. When you have mailing list names, printed teasers, envelopes and stamps you can send your first mailshot.

7. When you get an enquirer, send **a mainshot in a C5 white envelope and/or a CD**. (Ask for the CD back if they don't want it.)

8. Now would be the time to order a small supply of stock of part #1+2. See *Ordering Materials*.

9.When you get an application form follow the instructions for *New Customers*.

10. Pack a part #1+2, and your welcome letter into a jiffy bag and send it to your new client immediately. Or follow the digital process.

[4] You will need MSWord 97 or higher. You may need to re-adjust page sizes and fonts to suit your current default settings. You will need to add your personal company/address/account details.

11. If you require confirmation of posting, or a receipt, don't forget to send two copies of the order and a SSAE.

12. On approximately the 14th day of the following month contact your bank to see who has paid their standing order. See *Checking The Bank*. Send the next part immediately.

13. If a mainshot hasn't responded within 2-3 weeks send them a follow-up letter or telephone them.

14. Check your bank statements thoroughly to make certain you haven't missed a payment.

FINALLY...

Read the course materials. Much additional information on the workings of Direct Mail including our spectacular "Navigator" spreadsheet are given in later parts of the course. If you need any further clarification or advice then email me.

All the details in this book are true in the sense that they have been used by me and many others running very successful Direct Mail based businesses. I have also learned through bitter experience that some people can be told how to boil an egg and still louse up. Provided you follow the instructions in this book and use a good quality mailing list you should, other factors permitting, create a very profitable business. But it is, and always will be a risk, so please never commit money to any project that you cannot afford to do without. Here are the main reasons for failure:

1. A poor mailing list
2. Poor quality paper/printing/presentation
3. Not reading instructions properly
4. Too slow in sending out customer's materials
5. Using out-of-date ad copy
6. Mailing out just before holidays/national distractions
7. Letting the mailing list go cold before using it.
8. Not following up enquiries.
9. Sheer bad luck. That's what the Living Free course is about.

My very best wishes and hopes go with you.

Phil and The Team

Addendum Two contains a flow chart of the normal sequence of events. It's actually quite simple. It's just getting to grips with the detail that's important.

A special message from the Living Free course writers

We can only encourage you to read the course materials carefully.
An acquaintance was made redundant after a period of illness. He found himself without a job, three children to support and still quite sick. Forced by his illness to remain housebound he spent his days, at my suggestion, not fretting but studying the goal setting techniques outlined in the course material. Finally he set himself the worthwhile goal of regaining his former salary as well as owning a car of similar standard to the company car he had lost.
It took him less than 18 months. He had a precise vision of what he wanted to do and had the passion to follow it through despite illness and adversity. Since then he has quadrupled his former income, simply by making a goal to that effect.
We've done this ourselves, and can speak of hundreds of others who put these laws into action precisely as we have described and achieved levels of success they had literally only dreamed of. They are living their dream and living free. So are we. So can you.
God is generous. These are His laws. If we could only engrave their importance in your heart, we would have done you the greatest service ever known.

Go forward boldly, and unseen forces will come to your aid – Earl Nightingale

Good luck, and may the Force be with you.

* * *

Wealth Creation

Session Six

There are only two ways of getting on in this world: by one's own industry, or by the weaknesses of others.
- Jean de La Bruyere

By One's Own Industry...

In the last session you were introduced to a tool that is absolutely indispensable for your success, a navigator spreadsheet. In order to finally drive this home I am going to show you a business opportunity with a spreadsheet giving its potential.

THIS IS A BRIEF EXTRACT from session six of the Living Free course that I urge you to read. For the sake of brevity I have not included it here but it gives vital information concerning cash flow. Please refer to it as soon as possible.

* * *

Sometimes, when I consider what tremendous consequences come from little things,
I am tempted to think there are no little things.

- Bruce Barton 1925

Phase II

A perpetual holiday is a good working definition of hell
- George Bernard Shaw

The information you have just read is perfectly sufficient to start one simple mail order project. With just a little luck and a following wind this will give you a profitable working example of how such a project is put together as well as hands-on experience in the art of getting organised.

Where do you go from here?

You have two options.

a) You can continue with the Kick Start programme.
You are perfectly welcome to continue with this agency. The one major drawback is mailing lists because good ones are hard to find. THIS IS TRUE OF ANY KIND OF DIRECT MAIL BASED AGENCY PLAN. The only difference is that I tell you the facts. If you want to try another DM plan that *doesn't* tell you that good DM lists are hard to get then at least you knew the score from me first. Please read again the section on mailing list brokers because this information is vital. The secret is to order the right type of names (Business Opportunity Manual *Buyers*) and test a small quantity first, say 500 names. Never, ever buy a larger untried list from a new broker.

b) Start your own project.
I want to encourage you to think very seriously about starting and operating your own project. In fact that is the only reason why I released Living Free in agency form. You *can* become a self-publisher and it has never been easier to produce your own work.
The idea is to duplicate the marketing concept you have just learned from the Kick Start Programme and match it to a work of your own. Here is a small extract from part #10 of Living Free to give you a small taste of the potential you have at your fingertips:

A paperback sells at about £5.00 and a new author is unlikely to get beyond the first edition of 5000 copies. At a 1% royalty, the highest figure you would earn is £250. Even a 5% royalty would only pay £1250. Of course you would have the kudos of being a published author, but you wouldn't exactly be living the high life.
Now suppose your work sold 5000 copies at £20.00 which is the lowest price for a self published work, and you could probably get double this figure. Five per cent of this is five grand which is a lot better. Now assume you self published the same work. Assume that your marketing costs were £10 per book and each book cost £3.00 to print, pack and post. Your profit is £7.00 per book on 5000 books = £35,000!! Impossible? No, not at all, in fact this is small fry. Ask any decent mailing list broker for a list of names and he'll send you a price list that gives the number of names and the source. Here are examples:

Title	*Approx. Sales £*
Government Auction News Subscribers - 14,683	*293,000*
Streetwise Manual buyers - 74,404	*2,976,160*
Neo-Tech - 13,563	*813,780*
Midas Method Book buyers - 37,218	*370,180*
Van Dec Fine Art Buyers - 18,095	*452,000*
Memory improvement courses - 171,377	*20,565,000*

Most of these are effectively self-published, and that's only a list of past subscribers they no longer have any use for. The actual current total is much higher.
You can see that our working figure of 5000 is very small indeed. The fact is plain and simple: if you can turn half an idea into a half-decent book, you can self-publish it for at least £20 and make about £35,000 in the first twelve months. Indeed a lady in Merseyside took a small children's book and sold 12,000 copies at £10 per copy within 6 months using information published in our sister course – The Home Publishing Revolution.

By using your working knowledge of the Kick Start Programme, plus the idea generation and motivational techniques presented in the course material, you have the most amazing head start on virtually everyone in the UK. This is added to by our best selling course – *The Home Publishing Revolution* – which can be found on www.homepublish.com or by writing to us. By creating your own work you will have no competition, an unlimited market, maximum profit margin and the sheer unbounded joy of having created a best seller. The area of self publishing has more income potential than the State Lottery. You will never see anything like it.

One of our earliest members, who asks to remain strictly anonymous, took exactly this route and successfully wrote a business book. With our help she self-published and marketed that work. Her sales in the last twelve months exceeded £65,000. This project was proposed after a successful stab at the Live The Dream course, the predecessor to this one. A simple and effective proof that the system can work spectacularly well.

It is not an easy option. It involves patience, dedication and work. Many other schemes offering instant get-rich-quick incomes abound. In our experience in over many years research, and asking thousands of others who have tried such plans, they don't work very well. You can indeed make some reasonable money from, for example, horse racing, but you will never make real money without much dedication, effort - and help from your friends.

If you have the dedication – you will need little else.

May the force be with you.

Phil, James and The Team

* * *

You are just one skill away from retiring Rich …

Ninety-five per cent of people work hard all their lives yet die poor. Five per cent work *half* as hard, *half* the time, and retire young with enough money to keep them very comfortable for the rest of their lives. Until now this information was *deliberately* kept from you … until now.

EXAMPLE OF FIRST SIDE OF TEASER COPY

Hello,

My name is Phil Gosling. When I first started piecing together the information you are about to read I was poor and ignorant. As the pieces came together two things happened which I strongly suspect will also happen to you. Firstly, you will become richer. Slowly at first, then with Lottery winning suddenness you will wake up one morning and discover you are wealthy. It's a nice feeling.

Indeed, the knowledge that YOU can retire 60 –90 months from today with enough money coming in to save you ever having to work again, is nice information to have.

The second thing wasn't so pleasant. I became very angry. It was when I suddenly realised that, had I not *deliberately set out* to discover the reality of how easy it really is to become wealthy, then not only would I have died poor, eking out my last few pennies of pension money to see if I can survive the next winter, but that this fate was *deliberately engineered by people I trusted*. Unknown to me, unknown to millions, is the knowledge that we are being sheared like sheep to keep someone else warm. It's happening to *you* right now. You are in a cage without bars. *The Matrix* in real-life.

Please don't think I am some kind of crank or weirdo who dreams up conspiracy theories and X-Files type stuff. I'll leave invention to Hollywood. I deal in real life - things you can touch, see and hear. I am going to show you two things. You will know I am right for the simple reason that **you will start to become richer from day one**. From the very start you will see, as if scales had fallen from your eyes, why nearly all of the money you earn is taken away from you by thieves and liars. **This will make you richer immediately – without having to earn another penny.**
And then I'll show you the education that was denied me, denied you and is still being denied to our children. It is the one skill you really need in life – and unless you look for it, you will never find it. It is the skill of making money – which, oddly enough, *has absolutely nothing to do working hard, or working long days or even with earning it at all*. It's the one skill you need to retire rich, and if you take a little time to discover it you will, probably within 60 months, know what it's like to Live Free for the rest of your days in a home that's paid for - and you'll never have to work again.

EXAMPLE OF WELCOME LETTER **(HARD COPY)** SENT TO NEW CLIENTS.
YOUR LETTERHEAD GOES HERE.

To:

Date:

Dear

This letter is to inform you that I have safely received your application form for the unique Living Free course. May I take this opportunity of extending my warmest welcome to you as a new client of SUCCESS and FINANCIAL FREEDOM. Your application is being processed and I have allotted a unique membership number to you.

Your membership number is:
Your sponsoring agent is:

Please make a note of this information as it will be used in ALL correspondence. For monthly option buyers, please allow ten to fifteen days for delivery of parts one and two. Please write if your material has not reached you within 21 days of the date of this letter. (Please note that even though the Standing Order leaves your account on day one, it can take four days to reach ours. If this happens over a weekend it can add another two days. Orders are posted within 24 hrs and often take another two days or so to arrive. For this reason, if your Standing Order is dated the beginning of a month, please do not worry if delivery is not until the middle of a month.) If you have paid for the complete course then you should receive it in its entirety within the next 21 days.

Your decision is arguably the best and most positive decision you have ever made. It certainly has the potential of introducing the most fruitful and rewarding era of your life. Amongst the wealth creation information you will also be shown how to obtain the names of companies, or their organisers that you should avoid like the plague. This information alone has already saved several members more than the cost of this entire course. Many people have lost a lot more than this before they joined our team. It will be my pleasure and privilege to give you all the help and encouragement you need in order to live your life freely. I wish you the very best that life has to offer.

Yours sincerely,

EXAMPLE OF WELCOME LETTER (**DIGITAL BUYERS**) SENT TO NEW CLIENTS. YOUR LETTERHEAD GOES HERE.

To:

Date:

Dear

This letter is to inform you that I have safely received your application form for the unique Living Free course. May I take this opportunity of extending my warmest welcome to you as a new client of SUCCESS and FINANCIAL FREEDOM. Your application is being processed and I have allotted a unique membership number to you.

Your membership number is:
Your sponsoring agent is:

Please make a note of this information as it will be used in ALL correspondence. **If you have paid for the entire course** please follow the procedure outlined in the README1 file on your CD or website download. **If you have elected to receive monthly instalments** please read the README2 file. (Please note that even though the Standing Order leaves your account on day one, it can take four days to reach ours. If this happens over a weekend it can add another two days. For this reason, if your Standing Order is dated the beginning of a month, please do not worry if delivery of the opening key is not until the middle of a month..)

Your decision is arguably the best and most positive decision you have ever made. It certainly has the potential of introducing the most fruitful and rewarding era of your life. Amongst the wealth creation information you will also be shown how to obtain the names of companies, or their organisers that you should avoid like the plague. This information alone has already saved several members more than the cost of this entire course. Many people have lost a lot more than this before they joined our team. It will be my pleasure and privilege to give you all the help and encouragement you need in order to live your life freely. I wish you the very best that life has to offer.

Yours sincerely,

EXAMPLE OF BANK LETTER. THIS IS SENT TO THE CLIENT'S BANK TOGETHER WITH THE STANDING ORDER FORM. YOUR LETTERHEAD GOES HERE.

Date:

Dear Sirs,

Please find enclosed a standing order mandate from your customer:-

(CLIENT'S NAME AND ADDRESS)

Account Number:- (CLIENT'S ACCOUNT NUMBER)

Please pay the first payment on the 10th of (NEXT MONTH) 20… and thereafter at MONTHLY intervals on the 10th day of each month until cancelled by your customer.

Please Quote (MEMBERSHIP/REFERENCE NUMBER) When paying this mandate

IMPORTANT:- Your customer is awaiting urgent goods and services and these cannot be sent without quoting the above reference number when making payment. I would be grateful if you could adhere to this request without fail.

Thank you.

Yours faithfully,

Reservation Certificate for LIVING FREE

Complete this page if you would like to receive the acclaimed **Living Free Course**. After receipt of your first monthly payment, you will be sent the course materials for parts one and two (part one is free). *Free previews of parts one and two are available on the Internet at www.instantbookstore.com*. If at any time you no longer wish to remain enrolled, then simply cancel your standing order with the bank. Monthly course materials will be sent within seven working days of cleared funds reaching our bank account. The monthly subscription is £28.00 for eleven months if paying by standing order or one payment of £287 if paying for the course in full and claiming the discount.

Name ..... Address .....

..... Postcode .....

Email: ……

Note: The form below is a STANDING ORDER mandate, not a Direct Debit. You can cancel a standing order at any time simply by writing to your bank. We DO NOT have the right to direct debit varying amounts. A standing order is completely under YOUR control. Please note that Building Societies do not always offer standing order facilities. Please check first.

IF PAYING BY STANDING ORDER PLEASE ENCLOSE ONE CHEQUE OR POSTAL ORDER FOR £28.00 MADE OUT TO " **"**

To: (Your Bank) ..... Sort Code : .....

Full Branch Address: .....

.....Postcode .....

To Applicant's Bank
IMPORTANT
Please Quote

When paying this mandate

Account Number ..... Name of Account (e.g. "J.Smith") .....

Please pay to the order of the sum of £28.00 (twenty eight pounds only) payable on the 10th day of .....20 and the same sum at intervals of one month thereafter, being the cost of club subscription and course materials, for 10 (TEN months) or until cancelled by me in writing.

Signed Date

PLEASE COMPLETE THE ABOVE DETAILS IN BLOCK CAPITALS AND RETURN, TOGETHER WITH YOUR CHEQUE/POSTAL ORDER TO THE ADDRESS BELOW.

ALTERNATIVELY: If you wish to take advantage of the full discount, and pay for the course in full, please fill in the form below:

I enclose a cheque/P.O. for £280 made payable to " ", to cover the cost of one year's subscription.

Send To:
The Publishers' Network, c/o

If you have a credit card option then use this box to advise the reader on how to use it

The *Living Free* Course is published by PhilDee Ltd. The Publishers' Network is a team of licensed independent retailers who sell and distribute the *Living Free* course. This aspect is an entirely voluntary programme. The *Living Free* course is completely self-contained and does not require you to join or participate in any such programme. Please purchase with the confidence of our supply guarantee - In the unlikely event of a retailer failing to deliver the course materials within the reasonable time limits set by their license agreement then PhilDee Limited undertake to supply you directly with the digital course for any parts paid for but undelivered, at no extra cost.

Order Form for Monthly Parts

Photocopy this form and use it to order parts for your clients. Delivery will be expedited as soon as possible but I cannot guarantee an early response. If you have difficulty in obtaining supplies quickly, for any reason, then please estimate your requirements in advance and order a small amount of stock.

Date of Order: Your Membership Number:
Your Name and Address:
Your Sponsoring Agent's Name and Address:
Your Sponsoring Agent's Membership Number:

Please note that no materials will be sent without these details, or if your sponsoring agent's downline does not include you as a current member.

Item:	Quantity	Item:	Quantity
Part 1		Part 7	
Part 2		Part 8	
Part 3		Part 9	
Part 4		Part 10	
Part 5		Part 11	
Part 6		Part 12	

Extra CD's

Current price of parts is £9.00 each including P&P. The first CD is free. Extras are £3.50 each.

Total Number of Items ..... Total Value £ .....

Please enclose your remittance with this order. Remittances should be made to "PhilDee Ltd", and sent to: PhilDee Ltd, Agency Supplies, 2 Hilton Road, Disley, Cheshire SK12 2JU.

Please include TWO self adhesive address labels with your delivery address clearly shown.

If you wish to use a credit card to pay, please leave your credit card details on our special hotline phone number *01663 763817*

The main details of the enclosed Licensing Agreement

You will be licensed and given permission to promote the Living Free course provided you only use advertising literature approved or supplied by PhilDee Ltd. Any alterations must be agreed in writing with any employee, or officer of : PhilDee Limited.

- This Kick Start Agency Licence and starter materials costs £85+vat (total £99.87) and includes membership to the Kick Start Programme for all those who have *also* subscribed to the Home Publishing Revolution course *as well as* the Living Free Course. Cheques or postal orders should be made payable to "PhilDee Ltd" and sent directly to the head office address.

- You are only an agent or Licensed Retailer in the sense that you will have the rights to sell on our material as a retailer. You will operate as an independent sole trader or company, and all taxes, national insurance, etc. are your responsibility. Equally so we are only obliged to provide you with product, that is the session/part materials/unlock keys, based on your orders to us. Your customers are yours alone and your legal contract is with them and visa versa. They pay you, and we do not take any responsibility for any transactions in which someone has paid an agent.

- Copyright on the Living Free Course, Kick Start Agency Manual and all materials supplied by PhilDee Ltd is retained. Nothing may be reproduced from these works or stored in any form of information retrieval system without the express written permission of PhilDee Ltd. For the purposes of the agreement an agent may copy all advertising material produced by the club but only for use in promoting the club's Living Free/Kick Start Programme. The free previews and *locked* Living Free (FileOpen) files can be freely distributed or placed on a website for public download.

- The Kick Start Programme is run to the highest standard of honesty and integrity. **We will not tolerate any agent who is less than scrupulously honest**. All agents must offer a simple no-quibble refund policy for any hard copy previews of part one and two. Furthermore any benefit of doubt must be given to the buyer. If a returned book has been written upon by the buyer you MUST give a refund as usual although I will allow a deduction of the cost price of the book. (Damaged returns can be replaced at a special cost price at our discretion). Thirty day guidelines should be extended to include a reasonable time for posting. If in doubt as to the appropriate course of action please write/email us directly.

- We reserve the right to remove any agent from our list if they have acted in any manner incompatible with the ideals and standards of honesty and integrity expected, or brought our name into any form of disrepute.

- Agents may advertise via Direct Mail using any mailing list broker of their acquaintance. They may also place adverts in any magazine or media.

- Agents are permitted to produce their own advertising copy but only after written approval from PhilDee Ltd. This applies to all media advertising.

- Agents must advertise at the price levels currently allowed by PhilDee Ltd. Discounts are not permitted but any agent may, at his/her own discretion, offer free extra materials (free giveaways) provided it is made clear in the copy that this offer is from the agent alone, not from or involving PhilDee Ltd.

- Agents must continue with their *Living Free* subscription to their own sponsoring agent if paying monthly until the course is paid for. If they fall from the either the *Living Free* course, OR the *Home Publishing Revolution* course, they automatically resign their agency.

- The term "agent" or "retailer" shall not be understood as representing the club head office in any way. The term "agent", "retailer" or "licensed retailer" shall always be used in any communication, verbal or written or any letterhead or contract with any other person or organisation in relation to your activities as a retailer of the Living Free Course. Use of the terms PhilDee, Home Publishers Association, or Kick Start, and/or an implication that the agent is the central authority is not allowed under any circumstances and serious breaches of this will result in the licence and permission being revoked and your agency cancelled.

- Agents are responsible for supplying their customers with part materials within 30 days of the customer's remittance reaching the agent's account. They must handle delivery and financial queries directly with their customers. If a customer does not receive satisfactory service from an agent, we shall issue the agent with a written warning. A repeat complaint will result in the customer being allowed to deal directly with PhilDee Ltd. This is a condition of the licensing agreement.

PhilDee Limited's responsibilities

- To fulfil orders from agents using our official order form and enclosing correct payment with the order. Faxed/email orders will be prepared but not sent until payment is received. A credit card can be used on our hotline (see Order Form).

- Orders will be despatched as quickly as possible. Every effort will be made to post orders within 48 hours but this cannot be guaranteed and no responsibility can be accepted for delays of any nature.

- Orders are sent in suitable packaging using second class letter post. Bulk orders are sent parcel post (Parcel Force).

- If any agent receives payment from their client but does not supply that client with materials (or fails to order session materials or unlock keys from head office) within 30 days of that payment, then they are in breach of this agency agreement. In such circumstances PhilDee Ltd will make up the short fall of materials directly to the client concerned. When materials are supplied directly to the client as a result of our intervention, the agent concerned will be invoiced the normal agency price of the materials sent and no further orders will be processed until the agent's account is settled. Ongoing complaints from clients regarding the efficiency of their sponsoring agent will, after one written warning to the agent concerned, result in that client being invited to change their sponsor and the agent removed from the agency. If an agent is removed from the agency programme he/she will no longer be able to order session materials wholesale. His/her existing client members will be handled directly by head office.

- To replace materials that are lost in the post free of any additional payment.

- To replace any unused hard copy parts with later parts, such as when a stock of part twos are replaced with part sixes. If the books are in resalable condition we will replace like for like. If the books are not re-usable we will deduct £4.50 per book from the full price paid and send new parts pro-rata. Postage must be paid by the Agent. Agents are advised to obtain compensation insurance for the value of the parcel concerned at the time of posting by asking for a Parcel Force Dispatch certificate, or Certificate of Posting at the time of posting. You are automatically covered for £20 and can obtain further cover up to £150, or £500 on payment of a small additional charge. In the case of returns PhilDee head office will not be responsible for goods lost in the post, or poor and inadequate packaging leading to damage.

- In the event of an agent wishing to cease his agency, we will offer to "buy" any of his current clients. By getting the client to sign new Standing Order mandates direct with Head Office, the club undertakes to reimburse 50% of the monthly subscription received from that client, back to the agent concerned. Payment will be in arrears.

Whilst operating to the highest standards of integrity and legality we remind you that all information is given in good faith, but as the use and promotion of any plan, Kick Start or otherwise, is totally beyond our control, no guarantee of performance is given or implied.

* * *

AN AGREEMENT made between PHILDEE LTD of 2 Hilton Road, Disley, Cheshire, SK12 2JU ("the Licensor") (1) and the person or company whose name and address appear in the Schedule hereto ("the Licensee") (2)

1) The Licensor is the proprietor of the business known variously as "The Kick Start Programme" and "Living Free" and "The Publishers' Network ("the Business" or "The Agency") and has the approval of the intellectual property rights in Philip Gosling's "Living Free" and "Home Publishing Revolution Courses ("the Course[s]").

2) The Licensee wishes to acquire from the Licensor a licence to carry on the Agency and to use the name "Agent" or "The Publishers' Network" ("the Trade Name") and otherwise benefit from the use of the Trade Name

1. In consideration of the payment by the Licensee to the Licensor of the sum of EIGHTYFIVEPOUNDSPLUS VAT (£85+Vat) the Licensor HEREBY GRANTS to the Licensee the non-exclusive right to carry on the Agency and to use the Trade Name anywhere in the United Kingdom (Which for this purpose shall be deemed to include the Isle of Man and the Channel Islands) for the remainder of the Licensee's natural life SUBJECT to the provisions for termination contained in Clause 5.

2. The Licensee shall remain a subscriber of both the Living Free course ("a student") and the Home Publishing Revolution Course ("a student") until he has completed both courses and should the subscription(s) cease before such completion then this Agreement shall forthwith terminate provided that on completion of the said courses by the Licensee this Agreement shall remain in force at the option of the Licensee subject to the provisions for termination set out in clause 5.

3. The Licensee agrees with the Licensor:

(a) to use the Trade Name solely in connection with the Agency and not to use any marks or names similar to or capable of being confused with the Trade Name or any other Trade Marks or other Trade Names of the Licensor.

(b) to notify the Licensor of any suspected infringement of the intellectual property rights of the Licensor or any suspected passing off and to take such reasonable action thereupon as the Licensor directs at the expense of the Licensor;

(c) to obtain those course materials used entirely in connection with the Agency directly from the Licensor or the Licensor's approved supplier, and from no other source;

(d) to use only advertising literature supplied by the Licensor and not to make any alteration or amendment thereto without the written consent of the Licensor first obtained;

(e) at all times promptly and efficiently to carry out the Licensor's rules and regulations as to the methods of operating procedures as published from time to time by the Licensor and to adhere strictly to the standards laid down therein as the same may be modified from time to time by written notice given by the Licensor to the Licensee;

f) to hold the licensor and all officers and employees of the licensor free from any liability or legal action or loss and indemnify them against any such action by the licensee.

4. The Licensee shall not:

(a) divulge the contents of the course(s) or any parts thereof to any other person save to other Licensees, or with the Licensor's permission;

(b) hold himself out as not act in such a way as to be considered a servant agent partner employee or other representative of the Licensor but to act at all times as an independent principal;

(c) enter into any agreement with nor give any warranties or undertakings on behalf of the Licensor to any person whatsoever;

(d) obtain nor attempt to obtain or permit or suffer any other person to obtain the Course from any original source whatsoever other than the Licensor;

(e) assign this Agreement or any interest therein AND for the avoidance of doubt it is hereby declared that this agreement is personal to the Licensee and is not capable of being assigned;

(f) use the Trade Name in connection with any other Agency and not register any company business name trade mark patent or other form of registration in respect of the Trade Name.

(g) not under any circumstances to use the names "Living Free" or "Home Publishers' Association" or "PhilDee" nor to hold himself out as having the right to use the same.

5. (1) The Licensor shall have the right forthwith to terminate this agreement by notice in writing to the Licensee, and without refund or other obligation in the following Circumstances:

(a) in the event of any breach by the Licensee of any of Clauses 3 or 4 hereof;

(b) if the Licensee shall be in breach of any other Clauses (apart from those specified in the last preceding sub-clause hereof) and the Licensor shall have notified the Licensee in writing of any such breach and the Licensee shall not have rectified such breach within twenty eight (28) days of such written notice;

(c) if at any time the Licensee shall cease (for whatever reasons) to be a subscribing member of the "Living Free" and "Home Publishing Revolution" courses before he has completed the courses and paid for them in full;

(d) in the event of any wilful and repeated breach of any of the Licensee's obligations under this Agreement AND for the purpose of the sub-clause a repeated breach shall be a breach of any obligation in excess of two breaches of his obligations during the term of this Agreement;

(e) in the event of persistent complaints to the Licensor as to the quality of goods and/or service provided by the Licensee in respect of the Agency the Licensor shall in its absolute discretion determine whether such complaints are well founded;

(f) in the event that the Licensee commits any act of bankruptcy or makes arrangements with his creditors or becomes of unsound mind.

g) in the event of discontinuation of the business for any reason.

(2) The termination of this Agreement shall be without prejudice to any rights of any parties against the other which may have accrued up to the date of such termination.

6. Immediately upon the termination of this Agreement for any reason the Licensee's rights as Licensee shall terminate and the Licensee shall:

(a) cease forthwith to trade under the Trade Name;

(b) not hold himself out as an operator of the Agency nor offer for sale any of the goods and/or services provided by the Agency;

(c) not to make or solicit telephone calls in connection with the Agency;

(d) cease to use by advertising or otherwise the Trade Name or any imitation or approximation thereof on any sign stationery invoice service mark and any other trade marks trade names systems slogans symbols and copyright used in connection with the Agency or the Business;

(e) not solicit custom from any person firm or company who was a customer of the agency in connection with the provision of the Agency;

(f) pass to the Licensor the names of all persons enquiring about and/or requesting goods and/or services in respect of the Business and/or Agency by reason of advertisements placed by the Licensee forthwith on application being made to the Licensee;

(g) deliver up to the Licensor all customer lists and names and addresses of all persons who had become customers of the Licensee in respect of the Agency during the twelve months prior to the termination hereof;

(h) pay all debts owing to the Licensee's creditors in connection with the agency;

(i) return to the Licensor all advertising materials computer software programs stationery and all other materials relating to the operation of the Agency in the Licensee's possession power or control at the date of such termination;

PROVIDED that nothing contained in this Clause shall prejudice the Licensee's right to remain a member of the Home Publishers' Association following the termination of this Agreement and in such case the normal rules governing membership shall apply.

7. Upon the termination of this Agreement or upon the Licensee ceasing to carry on the Agency the Licensee shall:

(a) At no time after the termination of this Agreement howsoever occasional; reveal or use for the benefit of the Licensee or any third party any trade secrets of the Licensor or any other confidential information acquired from the Licensor in connection with the agency.

8. (1) No forbearance delay or indulgence by the Licensor in enforcing any terms and conditions of this Agreement shall prejudice or affect the rights or remedies of the Licensor hereunder nor shall any waiver or breach thereof operate as a waiver of any subsequent breach and no waiver or variation of any of the terms and conditions of this agreement shall be valid or have any effect unless the same be in writing and signed by a Director of the Licensor

(2) All notices hereunder shall be in writing and shall be served by recorded delivery pre-paid post addressed to the parties at their respective registered offices or their last known business address.

9. (1) All the clauses of this Agreement are distinct and severable and if any clause shall be held illegal or voidable by a Court of Law it shall not affect the validity or legality of the remaining clauses of this Agreement

(2) Whilst the restrictions contained in this Agreement are considered reasonable by the parties in all the circumstances for the protection of the Licensor and of the Licensee and of the Public in relation to the provision of the Agency if any part of such restrictions may be adjudged void but would be valid if any part thereof were deleted or if the period or area of restrictions were reduced the said restrictions shall apply with such modification or modifications as may be necessary to make them valid and effective

(3) This Agreement together with the Licensor's rules and regulations as to the methods of operating procedures referred to in Clause 3(e) constitutes the entire agreement between the partied hereto. The terms and conditions hereof may only be varied or modified in writing and signed by both parties

(4) This Agreement shall not constitute the Licensee an agent legal representative employee or partner of the Licensor for any purpose whatsoever nor shall the Licensee hold himself out as an agent legal representative employee or partner of the Licensor. It is understood between parties that the Licensee is an independent principal and in no way authorised to make contract agreement warranty or representation on behalf of the Licensor.

10. In this Agreement:

(a) words importing the masculine gender also include the feminine gender and words importing the singular number also include the plural number where there are two or more parties or persons included in the respective terms the covenants warranties or undertakings shall be expressed to be made by such parties or persons jointly and severally;

(b) "Breach of a substantial term" shall mean a breach of any clause entitling the Licensor forthwith to determine this agreement.

11. This Agreement shall be governed in all respects of the law of England.

Signature of Agent .....

Signed, for and on behalf of the Licensor .....

Date: .....

Appendix One

Doing it Digitally

Because a digital course, and certainly this digital *agency* course is probably a world's first, this addendum gives you extra information and explanations. At the moment what you have read so far may seem confusing but much of it is routine. In fact a purely digital course is much easier to organise than a hard copy course. This is because you never have to post anything, except, perhaps, a CD. It is entirely up to you whether you want to have a hard copy option at all. You can, if you wish, just deal digitally. This is entirely up to you.

How does a digital option work?

In the current system when a customer pays the agent, the agent buys the book from us. We post it to the agent. The agent posts it to the customer. This is time consuming and labour intensive.

In the digital system, the customer already has the book because all the books are freely available to download by anyone visiting our website or your website, or are available on a free CD. But they are security locked. They need a password (or digital key) to unlock them before they can read or print it. When the customer pays the agent, the agent buys the digital key from us, and sends the customer that digital key by email. No posting, very little time delay, all done by email.

The security system we have chosen is called FileOpen. This system allows us to send the same locked file anywhere. It's a universal file made freely available to everyone on CD or the internet. In order to unlock it the customer must go through an unlocking procedure that involves two emails. Firstly the customer sends an email that is auto-generated when he tries to open the file. This email contains, effectively, *half* a key. We process his half-key and produce a *full* key which is emailed back to him. He can then unlock the file. He only needs to do this once. From then on the full key is remembered by his computer. Every time he opens the file in the future it opens straight away. However, if he sends the file to someone else, or posts it on the Internet, it will not work, even with the full key. The key only works on *his* computer because half of the full key contains information related to his computer. Effectively the file is locked onto the users computer.

As a retailer you are the middle man between the emails. In this way you can be sure you get paid and he gets the correct key code sent to him.

How does it work exactly?

The customer, or enquirer can have a CD that you supply, OR be directed to your website where all the files on the CD reside or even our website. The previews are obviously unlocked, open files. The CD is free, as are the downloads.

When the enquirer becomes a customer all you have to do is to send him the unlock code. Exactly how this is done is shown in Appendix Two.

What happens if the customer has problems?

The FileOpen software we supply works in 90% of all cases. We supply various help files on the CD that the customer can refer to for common problems. Most problems are caused by:

- Not reading instructions properly
- Some kind of system problem
- Using a Mac. This software is for Windows based PC's only

Generally speaking we propose that technical enquiries are done directly via the agent, who passes them onto us by email. If, after one or two attempts we haven't solved the problem, then the customer is given these options:

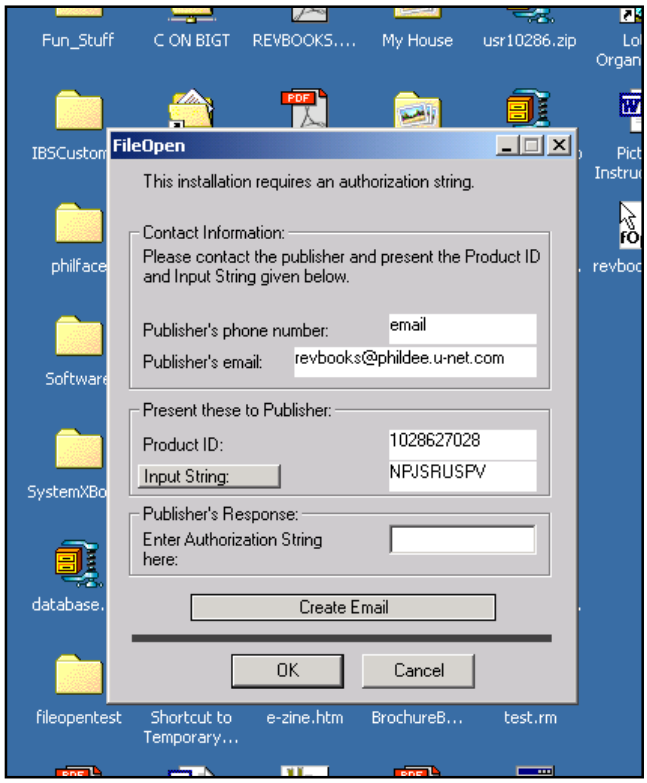
- If the customer has bought **the full course** (Paid in Full) then we will supply them with a custom-made CD with an ordinary PDF file of the course. It will be passworded and "fingerprinted" which means the buyer's details will be hidden within the file. This makes it traceable, which is an effective deterrent to piracy.
- If the customer pays **monthly**, then this option is not available. The customer can switch to a hard copy version but he will have to pay extra for printing, postage and packing. This will be about £5 per session.

How to unlock the special files

This is just special information that is also provided, in picture form, on the CD.

Opening or unlocking the file is a two stage system. First, the file must be on the customer's computer *desktop*.

When customer pays the agent, The README file will tell him to double click the locked FileOpen file and he will see this drop down menu:



The details will vary according to the file he has chosen so this image is just an example.

He will be prompted to click the Create Email button. This will auto-launch his email software with a preset message containing the information in the two fields called *Product ID* and *Input String*. It will look something like this:

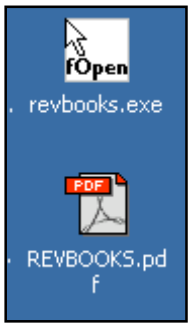
To: agent's email address
From : Customer's email address

Message:
Product ID 1028627028 Input String NPJSRUSPV

He sends the email *to the agent*. The agent makes sure he has paid and then sends to email on to us (together with his wholesale payment). We will respond with the correct key (known as an Authorization String) which we send to the agent who resends it to his customer. It looks like this:

QTYOPSRUTV
The Authorization String needed to unlock your file is shown above.
Please enter it in the
PUBLISHER'S RESPONSE /
ENTER AUTHORIZATION STRING HERE box
that appears when you double click the relevant file.
Important:
1. Capital letters only. No numbers, no lower case.
2. If using copy and paste, make sure you don't include an extra space at the end of the string.
3. Make sure Adobe Acrobat reader is NOT running.
As the file self-installs it will create a new PDF file which will be placed on your desktop. This is the file to click in the future. The original EXE or ZIP file is just a delivery program and is no longer required.
Best regards
HPA

The customer types the Authorization String into the correct box and his Adobe Reader software will auto-boot revealing the open book.



If the original file on the CD was called Nameofbook.exe, with the FileOpen icon, then he will see a new file has appeared called Nameofbook.PDF with the normal Adobe pdf icon (see below). The original .exe file (with the FileOpen icon) is just a delivery program and can now be deleted. The new PDF file will open every time but cannot be passed on to another computer.

Getting the files to the enquirer

The teaser flyer sent out to the mailing list gives the prospect several options on where to get more information:

1. He can use a reply coupon to ask you to send him a mainshot or a CD.
2. He can go to *your* website.

For option 1 you will send him either a mainshot, or a CD. The CD has the mainshot on it as a PDF file. If he hasn't got a computer or CD reader he will only ask for a mainshot.

For option 2 you will have your website's URL on the flyer. You will have prepared your website in advance. We recommend that the prospect is given the URL for the sales webpage (the HTML version of the mailshot on the CD) and then links to a download

page on your site. You can upload the free previews and the locked files to your site for the customer to download but these are big downloads and the Internet is unreliable so you should offer a CD option as well.

Appendix Two

Sequence of events (Flowchart)

You receive our CD. Create your own website *if you want to* and upload the sales page, preview files and locked course files. You will need to create an ORDER page as well. Alter your teaser/flyer and Mainshot to include your details, **email address**, URL, etc.

Send out the teaser/Flyer letters to your mailing list

You will get three kinds of reply:
Request for a Mailshot or CD - send it
Orders, or enquiries from your website visitors

You will get FOUR kinds of buyer:
PIF (Paid in full) for DIGITAL version
PIF for Hard Copy version
Standing Order request for DIGITAL Version
Standing Order request for Hard Copy version

PIF – DIGITAL
Will pay you in full and will send you an email requesting the Authorization String for the full course file. Check payment is OK. Send email to us with your remittance for the wholesale price. (same as a book). We send you the A. String and you sent it to the customer. Send a welcome email.

PIF – Hard Copy
Will pay you in full. Send Postcard acknowledgment of order. If you have books in stock, send them. Or use order form to order from us. Post to customer as quickly as possible. Send a welcome letter.

Don't forget to add all new customers to your card index/database

Standing Order DIGITAL

Complete the Standing Order processing. If the customer has sent a first cheque, then email him an acknowledgement/welcome and instructions to read the README2 file. He will now open the file called LF02.exe which is part two (part one is already open on the CD and the open part two isn't a complete copy, only a preview). Proceed as in PIF Digital above.

NEW MONTH

When your bank check tells you he has paid again, send him an acknowledgement and ask him to open the next file and proceed with the usual unlock procedure. You don't need to remember which one. He knows that. He can open anyone he wants but you only allow him to open one per payment. If he has made a mistake he has to pay again.

Standing Order HARD COPY

Complete the Standing Order processing. If the customer has sent a first cheque, then send him parts one and two (Order from us as necessary) with a welcome letter.

NEW MONTH

When your bank check tells you he has paid again, send him the next part as shown on your database. Order from us as necessary.

For standing order customers a good idea is to buy his next session in advance to avoid delays. Delays will cost you income through a higher fallaway rate.

(The digital route *seems* longer but you are saving hours in packing and posting time.)

Please understand that it is impossible to predict all answers to all questions. Please keep any requests for information SENSIBLE, meaning try to sort it yourself first.

Prices for LIVING FREE Course

This information is not yet confirmed but unless advised to the contrary, assume these are the current prices. For an update just email us for confirmation on hpa@homepublish.com

The course is a DIGITAL course. Hard copy is an *extra option* and costs extra (by virtue of extra postage, packing, printing and handling).

Digital Course PIF £280 Hard Copy add £60 for printing, postage, packing, handling.

Digital Course MONTHLY option £28 per month for 11 months. For HARD COPY add £5 per book

Wholesale price for licensed retailers (agents) only: £9 per key or book
E&OE

Published by

The Home Publishers Association
PhilDee Ltd
2 Hilton Road
Disley
Cheshire SK12 2JU
United Kingdom

Email: hpa@phildee.u-net.com
website: www.homepublish.com
24 hr Fax: (+44) (0)1663 766063
24 hr Message recording : (+44) (0)1663 766063
24 hr Credit Card Hotline : (+44) (0)1663 763817

E&OE.