

Book Review

*A straight to the point book about Business Start Up
that actually does what its title says:*

The Beermat Entrepreneur

By Mike Southern & Chris West

Key Learning Points

- The Entrepreneur and Cornerstones
- Go to the pub
- The Beermat Business Plan
- White Paper

Introduction

The Beermat Entrepreneur is a brilliant book; I first read it about three years ago after I heard Mike Southern talking on a bonus file from the Millionaire MBA audio series. He spoke about the elevator pitch, mentors and making your first sale and it inspired me to write a coaching module about prototyping your business idea before up scaling. The essence of this is in the book.

The Beermat Entrepreneur is a must read for any start up businesses and any business that continues to have great ideas they would like to test out. The book describes the best and most effective methodology of how to go about it. This book review will give you some of the principles, learning points and action points.

Learning Points

The Entrepreneurs and The Cornerstones

Entrepreneurs are very special people, they are confident, born optimists and simply know they can do it, and they will do it, it's not that they don't feel fear, but when the heat is on their confidence just steamrollers over the fear and they do whatever they need to do to make it happen.

Entrepreneurs have heaps of energy, are obsessed with work, ambitious and always in a hurry, they want to change things and they want to change them quickly. They can be manipulative and very influential with their communications.

Entrepreneurs can be a little arrogant. They know they are good, but with a strong team, the arrogance mellows, they think to themselves: *"I know I am good, but I can't do everything, so I have to let people in finance, operations and sales do their stuff too"*.

Cornerstones are the engine room of the business venture, they are nearly as passionate about it as the entrepreneur is; they focus on the detail of marketing, sales, operations and finance.

Start up businesses begin with the entrepreneur on their own, they may use their cornerstones for advice and some sweat equity to get the business up and running. Later the cornerstones may join the business when it is more established and the financial resource is in place.

Go to the Pub

Have you got a good business idea? Go to the pub with some of your business mates, have a few drinks and tell them all about it. If they think it is a good idea, thrash it out and you have just got over your first hurdle.

The next day when you've woken and sobered up, is it still a good idea?

Get together with your mates again and compare notes, are you still excited? Ok it's time to create your first business plan; this will not be a two inch document - you will write it on the back of a beer mat and it will have three items on it:

- Elevator Pitch
- Mentor
- First sale

The Beermat Business Plan

The idea is to test your business idea before you go and get a website or a brochure and spend time writing a business plan. The plan is to get your first sale, in the form of a written order or even better a cheque. This is the acid test. There are many examples of great products and services, people say they will buy one, but when you ask them for money, all of a sudden, it wasn't that good. You may think there is a need for your product or service but will customers want it and buy it?

The process to finding this out is:

1. Develop your elevator pitch
2. Go and find someone who has done it or something like it before
3. Sell one

Elevator Pitch

To sell your first product or service you don't need websites, brochures or a business card, you need your personality and an elevator pitch.

Your elevator pitch is what you would say to a person you meet in an elevator traveling from the tenth floor to the ground floor. It has to be clear, precise and say exactly what you do in 20 seconds.

Mentor

There is always someone who has done it or done something similar somewhere. Seek them out and find out as much as you can, they will save you a lot of time and cash, as they would have learned the hard way, they may even know the person for your first sale.

The most successful entrepreneurs use this technique, because they know it is sound advice. Richard Branson went to see Sir Freddy Laker before he developed Virgin Atlantic for this reason.

First Sale

Go and make your first sale, use your personality, charisma, influence, determination and your elevator pitch. This is your first test to see if you have the right products or service for the market, and also to test yourself if you have it in you to do it. All business people I know say they are not sales people, but every one of them can sell, and sell better than most professional sales person because of their passion and confidence.

White Paper

Now you have got your first sale it's time you write your white paper. This will describe:

- How did you sell your first product or service?
- How easy was it?
- Could you sell another 100?
- How easy would that be?
- Can the idea be scaled up?
- Is there a market?
- Is there a business?
- Is it worth investing your time and energy in?

If you are happy with the conclusion of this exercise, the real work begins. Begin with a big idea, start with a small profitable part of your business plan, cash flow early and invest in systems and people, repeat the process, until you achieve your final objective.

Action Points

- Buy the book – it's a great read!
- If you don't have cornerstones, write down the characteristics, skills, experience, qualifications of your ideal cornerstones, and when the time is right employ them, they will eventually run the business for you.
- Develop your elevator pitch. If you are not sure how to go about it, give our office a call, we can send you a worksheet to complete that will help you.
- Find a mentor who can help you.
- Write your white paper; even if you are an existing business, this is a good exercise to complete as it goes back to basics.
- Use the beer mat business plan to test and measure any new business ideas you come up with. It is a great method and may save you a fortune.

Our Experience

We recently partnered with David Hilton our New USA CEO. Meeting and partnering with David has helped us both to leap frog our business jointly under the banner of FREEDOM Business Coaching. Sometimes 1+1 can = 5 in team building.

We test and measure our elevator pitches when we go networking, before we use them on live prospects.

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