

Dear Maverick Business Insider,

I just got back from Park City, UT for the first-ever Maverick Family Freedom event held over July 4th weekend.

It's the first time ever Maverick families came together for a long weekend combining totally unique experiences and activities with business sessions for the children and development sessions for the parents.

Not only did we have the children (ages 6-19) learn about business, but they actually participated in running different ventures. There were 2 product businesses selling July 4th related products and one service business selling photos with Uncle Sam and Lady Liberty.

They were given blueprints like this:

Business Blueprint #3: Patriotic Pictures

Business Description:

Light up the night by offering these unique glow-in-the-dark accessories kids will love when the sun goes down and the fireworks start going off.



Inventory:

Light-up bracelets (50)
Red, white, white assorted glow sticks (36)
Tri-color (red, white & blue) glow sticks (36)

Tips:

Your best customers will probably be kids. Approach parents of kids. They will so excited to ask Mom or Dad interested in the glow-in-dark items. Make sure you know how low you will sell your products if somebody asks you for a better deal. Maybe you can give them a deal if they buy all 3 items in a package. If you haven't sold your inventory before the sun goes down be sure to demonstrate how cool the glow sticks are by actually having them light up so it grabs attention.

Then they were provided with the cost of inventory and had to figure out how to package and sell their product or service to make a profit.

And on July 4th they hit the streets selling to the crowds gathering for their famous 4th of July Parade with over 70 floats.

It was great seeing how creative and excited the kids were before July 4th as they planned out bonuses, pricing, created their signs, etc.

Check out a few of these pictures of the kids prepping the day before the parade:





(It puts them into a positive state of mind and builds confidence.)

Well, his #1 favorite thing that he shouted was "Learning about business!" So that was pretty cool.

One of the older girls really helped him and designed his sign with him so he was ready to go:



I've got his first sale right here:



From the previous photo you can see Team #3 (the Noise Maker team) getting their packing together. They were bundling up noisemaker sticks with clappers and a tattoo all for one price. Smart.

I wasn't sure how Zack would do in this setting. Missy thought he was too little (he'll be 6 in Aug) and I was borderline on it. But I wanted him to sit in the sessions to see. He actually really enjoyed it. In fact, we play a little 'game' each night where I ask the kids about their 3 favorite things for the day.

It was really exciting to see the kids gain confidence as they started to make sales on July 4th. And lots of them were antsy to get back to selling right after the parade and after lunch. It was awesome to see how engaged they were.

Even back in the hotel when Zoe was asking Zack for a glow necklace, he refused. I stepped in and asked if I could buy it. He said sure for \$2. I guess I'm creating a mini-capitalist here. I'm really proud of small 'ripples' like this that might have started from the event. Everything from sparks of entrepreneurship to new friendships developed by the children there. One of the parents of an 8-year old said she wasn't sure her child ever felt out of place in her "regular" school but she instantly bonded with other kids here because they were all the same. Even our sole 19 year old on the trip, "Crittter", said he got along great with the other kids because of the same reason.

Quite frankly there were a lot of lessons adults could learn from the kids. Everything from creating packages to giving customers a choice of two items to buy instead of just asking for a yes/no sale. Plus, they learned about getting attention (some of the costumes) and advertising (signage). Wouldn't you want to get a photo taken with this crew? 😊



Now it wasn't all work here especially since the Maverick philosophy is about unique experiences too. The families spent time at Olympic Park with the Summer Comet Bobsled pulling nearly 4G's, the Alpine slide and Zipline.

Here are a few of Mavericks getting ready to shoot down the bobsled track:



And Mommy and Zoe taking on the Alpine slide:



From the incredible feedback we got from parents (and kids) we're going to do it again next July 4th, probably in Park City, UT again. So make sure you let us know if you want to be part of it or just sign up at MaverickBusinessAdventures.com to stay up to date.



Cashing in on Events and Breaking News

As Mavericks we have the opportunity to ensure our customers are always excited about “What’s next?” and creating that feeling of fun anticipation. An easy way to stop being boring is to use out-of-the-norm events for your marketing. A lot of people might do sales or events based on typical calendar dates like Christmas or New Years but I doubt many of us do ‘Flag Day’ sales, right?

Take a look at this example from a few weeks ago:

Betabrand [Learn more](#) newsletter [sign up](#) 800.694.9491

BrandNew Cordarounds BetaLabs BetaPants Shorts Harvester Bike to Work SuckerLab Karate Casual Jackets

17.76% Off All Red, White Or Blue Products

The Caperon \$41
A product from the BetaLabs Collection

Flag Day Deals Below! Red, White, and Blue Discounts Through This Tuesday!

Betabrands is a somewhat quirky brand that started with ‘cordaround’ pants. (Those are corduroy pants that are horizontal instead of vertical.) So for Flag Day they piggybacked perfectly on the theme by offering 17.76% off their red, white and blue products. (Get it?) Pretty smart and clever.

It’s not the first time I’ve seen Betabrands work on what’s going on in people’s minds. Any sort of national news is perfect for you to jump off on.

Here’s the promo they sent out after Iceland’s volcano erupted last year –

(Interesting side note: Maverick members were snowmobiling on that volcano last Summer during the Viking Expedition.)

Cordarounds Releases *Eyjafallajökullarounds*.

New pants, a volcanic tribute, and an invitation to an launch/lunch party.



Yes, 'cano mania is sweeping the globe, and we know a magma-hot trend when we see it -- even if we have no idea how to pronounce it.

So we're proud to release these new E-check Suckerlab pants in honor of [Eyjafallajökull](#), the [mighty Icelandic soot-stack](#) that's snarled airline traffic and twisted tongues worldwide.




With our 24/7 society – it means you should be fleet of foot and quick to capitalize. Here's a great example from OoVoo.com, which does group online video chat and competes against Skype in some aspects.

When Skype's out, ooVoo's giving FREE 6-Way video calls maverickinsider-ideas | X

ooVoo.com no-reply@info.ooVoo.com to yanik show details Jun 8 Reply

yaniksilver | My Account



ooVoo's Skype users, we've got your back

Get a day of FREE 6-way ooVoo for every hour of Skype outage

Dear ooVoo-er,

We want to help our Skype users!

We realize that many of our users Skype as well. When Skype is down, or has an outage, we know this cuts you off from your loved ones that you reach via Skype. We want to help. So, from this day forward, for every hour Skype is down we are going to give our users day of free 6 way multi-chat video calls. Here is an example. If Skype is down for 6 hours we will give you 6 days of FREE 6-way video calls. You will be notified through the ooVoo Facebook fan page.

So [fan us](#) and check back. We hope you like this? Join our Facebook community for sneak peeks of new releases, upcoming promotions and contests.

Thanks for using ooVoo and hope you will share this news with your Skype friends.

Thank you,
The ooVoo Team

Be the first to know



Fan us today to receive FREE 6-way video calling for every hour Skype is down.

[Fan ooVoo](#)

Do you know how to ooVoo?

Make video calls. Call friends on cell phones. Send a video message. And that's just for starters.

[Learn about all ooVoo features now.](#)

The offer is extremely time sensitive with Skype being 'down' (which I didn't even know until they sent it). The deal is a free day of OoVoo.com for every hour Skpe is down – pretty smart.

Now here's the final example from Sprint Airlines of jumping in on a news trend. I was surprised to see this from an airline but it got attention because I had it forwarded to me.

Email not displaying correctly? [View it in your browser](#)



In This Email: [The Weiner Sale](#) [Get Out of Town](#) [Travel Deals](#)



The Weiner Sale: Fares Too HARD to Resist!

Fares from \$9* Each Way, Based on Roundtrip Purchase!

Check out our BIG Weiner Sale boasting fares just too *hard* to resist! This scandalous sale is no secret so get socially connected with fares from just [\\$9* each way](#), based on roundtrip purchase! Hurry to book now before this sale gets hacked!

[Book and Save!](#)

Individual travel-date specific fares must be booked on [spirit.com](#) by 11:59 PM ET on June 8, 2011 for travel on the dates as specified by individual market and by market direction. All fares are based on roundtrip purchase. [Additional terms, conditions, taxes and fees](#) apply. [Baggage charges](#) may apply.

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I'll leave that one to you for commentary. 😊



I'm a fan of kitschy products combined with new technology that makes it fun. Here are 2 items of particular interest.

- 1) The space invaders QR-Code scarf

This is a limited edition knit scarf with a real working QR-code in it.



LIMITED EDITION OF 500
The Invader Scarf BUY ONE!

FLIP OVER

Your trusty friend that keeps you warm on your travels across the galaxy. Or to the bus stop. This is the first in a series of our Space Invader QR-code scarfs. The code holds messages that can be decoded by any mobile phone with a QR-Code scanner.

Designed in Switzerland, knitted in England and soon to be seen across the solar system!

Available at - <http://lendorff.kaywa.com/>

2) Ultra Geek Cuff links –



3) From AdaFruit, the open-source hardware maker, they created these pulsating cuff-links that really work.

From their site:
Sophisticated. Modern.
Open Source.
Gorgeously machined aluminum with a subtle pulsating LED. Perfect for Father's day or for that geek who loves technology and needs to get dressed up for a special event. Welcome to the future!

<http://www.adafruit.com/products/379>

(Watch the video – it's pretty cool!)



I'll wrap up with 2 stories from Park City. Not only was I really impressed with the young entrepreneur gumption selling but with their heart. Team #2, the glow-in-the-dark product team, had just turned a profit. It was nearing dusk on July 4th and they were out on a playground trying to get some last-minute sales before the fireworks.

Well, once they got to the playground they quickly realized the kids there really didn't have much money and ended up giving away many of the necklaces and light sticks. The smiles on the faces of the kids there will be a lasting memory for that team.

Secondly, I was really impressed with 9-year old, Kennedy. She's Maverick1000 and Millionaire Mastermind member, Kim Pingleton's granddaughter. She absolutely loves animals and she decided to take her profits (and bonus prize money) and donate it to a local animal adoption spot. She was really firm in saying she made the money in the community and was going to give it back to the community there. It was great.

I got to witness it first-hand because I grabbed a ride back to the airport with Kim and Kennedy. We arrived before the doors open but let ourselves in, which resulted in a few shouts and mean looks since some of the animals were loose.

But once they heard the story – there were big smiles all around for the \$53 Kennedy donated. The manager there told her how much food that was going to buy or how it was going to spay or neuter one of the dogs. I loved seeing that kinds of impact in small ways that will turn into bigger ones as they grow.

All the best,

Yanik Silver



Maverick Business INSIDER RECAP

You get privileged access to a network small, distinct group of self-made millionaires who make up Maverick1000®.

Quite simply you're looking at true 'Who's Who' of successful entrepreneurs, CEOs and business owners.

More importantly, each member shares a common 'DNA' of wanting to life to the fullest, creating business breakthroughs and giving back through charity and education to empower future Maverick entrepreneurs!

You'll hear their success journey and exact techniques of how they've done it.

But you won't just hear their best moneymaking advice but you'll get their philosophy on creating MORE in your life... Maverick style.

You'll find out how to make more money, have more fun in your life and ultimately give back more!

Maverick 2020 Mission:

- **'Maverick-tize' 1,000,000 entrepreneurs**
- **Impact 1,000,000 young entrepreneurs**
- **Have 1,000,000 Cumulative Items Checked Off Members Big Life List**

Quite frankly, we're out to change the game of how business is played to help shift the focus beyond just the bottom line and have entrepreneurs create their own fun-filled experiences and maximize what the impact they have in their communities.



“How To Go from \$0 to \$1M+ Selling Imported Goods Online”

With Gary Nealon

July 2011

Yanik Silver: Hey everyone and welcome. This is Yanik Silver, and we have another Maverick Business Insider interview. I'm really excited to have one of our Maverick1000 members, Gary Nealon, on.

Gary has got somewhat of a unique story. He has... we'll let him talk about it, but losing several million dollars on his first business. Now having a successful cabinet store, not a brick and mortar cabinet store but an online cabinet store, which sounds like a very weird, unusual thing that you could try and sell online.

Then as well we're going to get him to talk about some of the community building things that he does. And of course you may have seen Gary possibly on HGTV on Home and Garden TV where his cabinets are a regular fixture on some of the shows there. So, welcome Gary.

Gary Nealon: Thank you. Thanks for having me.

Yanik: Yeah, absolutely. So I'm excited to kind of jump in here, and I think this will be a little bit of a different interview for a lot of people listening to this, give people a different spin on how to do things.

There's not just one model that works online. Maybe you can start with just a thumbnail on your background and some of your business experiences there.

Gary: Sure. My main background was marketing and information systems, but somehow I ended up in logistics for many years. After working with some of the Top 500 Companies in transportation and logistics, I thought hey this is probably something I could do for myself.

I spent a couple of years researching a business, and I found the right one - I thought. Within roughly a year I was bankrupt. Not many people can say that, but within a year of being in business we ended up burning through about \$2 million and ended up bankrupt.

That's the downside of my crash course in the business. When I thought I did everything right, I guess I didn't really do right. It was one heck of a learning curve.

Yanik: And then what was that first business, Gary?

Gary: It was actually a brick and mortar business. It was importing products in for the Dollar Store industry.

At the time it was a booming industry. Of course right after we took it over, the cost of plastic went through the roof and petroleum and everything else. So basically the profit margins on it cut in half, and it just drove the business right into the ground.

Yanik: And so this was importing what... from china?

Gary: Yeah, it was importing from China, importing just about everything that you found in a

Dollar Store. I always thought the way to go for a business was to find something that was successful and just build upon it.

And then I learned about the whole internet marketing aspect of it, and that's kind of what got me to the business that I have today.

Yanik: I think there's probably a couple of lessons in there too that would be interesting for people. So you said within one year, right, you guys burned through \$2 million?

Gary: Right, well we bought the business for... I think it was \$1.5 million. And then we had a line of credit for inventory and everything else. It was about a year we had... I thought I did my due diligence, spent 2 years researching it, had accountants and lawyers looking over the books to make sure that it was a viable option.

You can never predict the future with something like that. It kind of spun me for a loop there right after it happened, but I saw what some of my friends were doing on the internet and just decided to take some knowledge from them and just apply it to something I already knew.

Yanik: Where was that turning point that you're like, well maybe instead of going out and getting another job or saying obviously business doesn't work for me, what was that switch?

Gary: I guess that's one of the things of being an entrepreneur is that you always have that gut instinct that you don't want to work for somebody else.

Even though the first business kind of went down the hill, I went back and got a director of sales in logistics, so I went back to that working on my house and doing logistics. But I always knew there was something for me to do on my own. So I just kept researching and reading about different things.

Mike Geary was a big help for that. I went to college with him, and he really showed me everything he was doing. I was able to take what he was doing with a virtual product and then apply it to a physical product. So that's kind of what spun us into this business.

Yanik: Ok, so was the first internet venture with cabinets?

Gary: Yeah. We had a connection with China. One of my friend's uncles, long story short, was importing other stuff, so he had a connection with a factory, which put us in touch with this.

I kind of researched the industry and found out while there were other cabinet manufacturers that were online, none of them really knew what they were doing, based on the knowledge that I had.

“...within a year of being in business we ended up burning through about \$2 million and ended up bankrupt.”

I saw that it was an industry that I could probably penetrate really quickly and also be able to offer a price cheaper than other people could. So within a year we were up in the top 5 for at least 5 of the categories that we were targeting. We started seeing traffic, and I started doing a lot of SEO to drive the site up.

Yanik: Ok, well let's take it from the beginning because I think that would be interesting. So you had the connection. You had the cabinets, so you knew you had your product.

Did some research there and found other people that were selling, so obviously there's a marketplace for it. I don't know, for me cabinets seems like what a crazy thing to try and sell online. It's a big, bulky...

Gary: Yeah, that's kind of how I looked at it. When I first thought about it, I was like who is actually buying cabinets online? It just seems like such an odd thing.

For me, I'd want to see them. I'd want to touch them. It's a fairly expensive investment, and to be able to do that over the internet, I guess there's got to be a trust factor with the company.

So that was my biggest hurdle just in the thought process of - who's actually going to be buying these things? But it was right around that time where HGTV and the DIY network really started taking off, where all these home improvement shows were kicking up.

People were starting to get interested in them. They realized that they didn't have to spend \$50,000-\$60,000 on a kitchen. They could actually do some of the stuff themselves. So I think that little spike and getting into the market at that time was one of the things that helped us out as well.

Yanik: And then did you have any thoughts like Zappos... We had Tony Shay from Zappos a couple of times at the Underground as a keynote. One of the things he always talked about was when they were selling shoes that they started thinking about the biggest objection to selling shoes online was that - is it going to fit or not?

So that's when they added free shipping back and forth and kind of almost recommended for people to get multiple sizes so they could ship them back and forth. Was there anything that you thought about from the... just the way the cabinet product would be online? Was there anything ...?

Gary: Yeah, the biggest obstacle that I saw was - are people going to be able to do this themselves? You get a lot of - I don't know if you watch any of the home improvement shows or do any of the projects that they are talking about, but it's breaking it down to a point where it's understandable and people are comfortable with it.

I think that was the biggest objection we got at first, like can I really do this? Are they really that simple?

So just through article marketing and even through some of the video marketing, just creating informational products that we can give them to show them this is something that's really easy that you can do that you don't need to pay somebody else to do.

That's kind of been our angle on all of the homeowners that we target. We obviously work with contractors and home builders. That's a little bit of a different sell, but for the actual home improvement market, that's what we try to do is just educate all the homeowners that they can do this themselves.

It's not hard to do, and they can get the same look that they could if they paid somebody to do it.

Yanik: And that's part of... do they get more information when they buy a cabinet? Or all that information is free, and you're just using that as a lead generator to...?

Gary: Yeah, I mean everything is free. We try to use it as lead generation. We also use it in our autoresponders.

If somebody doesn't go through the shopping cart, if they back out of the shopping cart... our sales cycle is a little bit different than a virtual product. It could be 30 up to almost 120 days.

From the time that somebody comes to our site, we just want to keep feeding them information. Whatever obstacles that they may have in their head about buying them, we try to eliminate that through the email process and keep that information flowing to them.

Yanik: You're ok if we mention what site it is for people that are at home?

Gary: Yeah.

Yanik: Ok, so it's RTACabinetStore.com, and they can check out what you have going on there. Alright, so when you first had this idea of putting your site up, what was the first way that you started driving traffic or trying to see if this was going to work or not or be a viable business?

Gary: Up until probably a couple of months ago, everything has been organic. I really started doing a lot of article marketing, press releases. At that time I wasn't really familiar with video marketing, so I wasn't doing any of that.

It was almost all through article marketing links and just started targeting specific sites that I knew had traffic that would be interested in it. You know, all the home improvement sites...

The one thing that if I had to look back now that really drove our sales and keeps it driving is the home improvement shows.

We get through press releases and just through some of the articles I was writing, we got contacted by one of the producers. I think it was going back 2 years ago now the first show that we did. They really liked the information we were giving out. It was a product that they could work with and fit into their production schedule.

We did the first show, and it took off like wild fire. The producers started spreading the word to other shows, and we started networking within the TV world for home improvement.

“We did the first show, and it took off like wild fire. The producers started spreading the word to other shows, and we started networking within the TV world for home improvement.”

So we've done I want to say over the past 2 years probably about 30 episodes for 5 or 6 different shows. It's interesting to watch. Every time one of the shows air, we have a spike in sales for that particular product line.

Just being able to network and get into a different type of marketing outside of internet marketing or mass mail or anything like that. It's been an interesting process.

Yanik: Yeah, so the way you got that originally was just sending out press releases to magazines?

Gary: I was actually doing online press releases, just targeting the keywords for the press releases that I thought people would be searching for.

I was just doing 2 a week, just sending out updates about what we were doing, how we were growing, and the product and everything else we were offering. It got picked up by one of the producers.

Yanik: Got it. So what's your favorite tool for keyword research or figuring out what your keywords are?

Gary: I still use the Google tool. I'm actually in the process of having something built into our website that would start pulling keywords for me and actually monitoring traffic on them.

I still use that. While it's not 100% the best, I think it still gives me pretty accurate information.

Yanik: Is this just inside of Adwords?

Gary: Yeah, inside of Adwords. Even our competitors now have gotten a little bit more internet savvy since we started. A lot of them have been kind of taking some of the things that we are doing.

I'm in an interesting position where we're competing with like Home Depot and Lowe's. It's interesting to watch them and see what kind of things they're doing. It's almost like a back and forth between who gets to do something first.

I'm competing with these basically billion dollar companies, and they don't realize we're still basically a mom and pop operation. We're operating on a lower scale than they are, but we're competing with them on the internet.

Yanik: Yeah, that's what makes it so exciting, right? You've got kind of equal footing.

Obviously, you don't have the retail exposure that they have, but online you have that opportunity to come across as the better option because your product costs are probably lower than what they've got there.

Gary: It's amazing. If I can just keep spreading the word, the amount of people that don't realize that it's about 40-50% cheaper to buy something from us than it is to go to one of the big stores.

It's pretty interesting to watch people when they realize how much money they could be saving. They're like, holy cow, that's a huge savings.

Yanik: Right.

Gary: Even though they're spending a lot of money with us, just the amount of money that they're saving is unbelievable.

Yanik: Well, yeah that's fascinating. So you never did any sort of pay per click or anything like that to get people in the door originally?

Gary: No, originally it was all organic. We started doing pay per click now, but we're starting out actually with some re-targeting and just some geo-targeting instead of going straight for the search traffic or even the content traffic.

I'm trying to go for the fringe stuff first and figure out what works because the hardest thing that I've found with our sale cycle is tracking it. You can run ads for three months and some of those sales aren't coming through for three months.

It's not like an instantaneous transaction like you would have with a virtual product where you run an ad today, odds are you're getting the sale today or tomorrow. It's a much longer process.

Yanik: Have you figured out anything or any tool that you think is helpful there?

Gary: No, I'm still working on that. I've actually tapped some resources within Mavericks to figure out what the best avenue is for some of this stuff. We're just in the beginning stages of figuring that out, but it's been pretty interesting and productive so far.

Yanik: So let's go back to the organic search because that's certainly how it seems like you've definitely grown this thing.

What hints or tips would you tell people that have a lot of products like you guys do or probably a lot of keywords how to go out there and start figuring out if it's worth the organic search or not?

Gary: The biggest thing that I learned is in our industry too, you can't just go for the main keywords. You've got to go for the long tail keywords.

When it comes to organic even with Google the way that they're reformulating how organic searches are found with that change that they made in February – whatever it was called – the new algorithm that they're using, I just constantly keep changing up how I'm doing it.

I've figured out a way basically to take one article and spin it 8 or 9 different ways now, whether it's through video, pictures, pdf. I just do a combination of everything and get links wherever I possibly can.

It helps now that we're starting to get some free links just from the TV shows because once it's put on their websites, it's shared by other sites.

“I’m competing with these basically billion dollar companies, and they don’t realize we’re still basically a mom and pop operation.”

Yanik: They probably have a pretty good page rank.

Gary: Yeah, they do. So now we're getting those high page ranks for free. It's just spreading out as much as you can through SEO. Some people don't do it. I know in the information world there are some people that don't even do SEO. They just rely on pay per click.

Yanik: Right, or affiliates.

Gary: Yeah, I've kind of done the opposite. We've tried affiliate programs. They don't really work for our industry just because the margins aren't that significant that we can provide a decent commission on it.

Pay per click – I'm still trying to figure that one out just because of the sale cycle. SEO has always worked for me, so it's a little different from some other people.

Just by spreading it out and not relying on one source for SEO just like you wouldn't rely on one source for pay per click, it's really helped me stay on top in some of the categories no matter what Google has done or changed their algorithm to.

Yanik: I like – that sounds pretty intriguing about taking one piece of content and then spinning it in a bunch of different ways, whether it's video or pictures. I didn't even think about the pictures.

That's perfect for you guys and possibly could even be used for other people and a pdf. So for instance, does the pdf get posted on Slideshare or something like that and other...?

Gary: Yeah, and I'll give you the full breakdown how I do it. I'm sure there's other people doing it somewhere too, but whether I write it or get somebody to write it, I get an article written, put it through Ezine to make sure it gets approved and gets through their rigorous process.

I'll spin it, put a couple of different formats on it to put it through HubPages and Squidoo. I know they lost a little bit of credibility with the new algorithm, but I still think there's some value there.

From there once it gets approved on those, I'll convert it into a pdf and convert it into images, so then I can put it on Scribd and Photobucket.

You can then take that same article, cut it into a portion and put it into a blog post on our site and have it link back to some of that stuff. Then I start pinging everything.

The pictures – I ping them, ping the pdfs, ping the articles, ping the blog post. Just make sure that there's as much visibility out there as possible for it.

Then I've actually started using a couple of different software programs or at least testing out two or three different software programs that will take that article and then transform that right into a video for me.

So it's hitting just about every form of media that you possibly could, and it doesn't look like your links are always coming from the same spot.

Yanik: That's pretty cool.

Gary: That's kind of been my strategy now for the last couple of months, and it seems to be working really well.

Yanik: Now are you using virtual systems to help you with all of that, or are you doing it all yourself?

Gary: I was originally trying to do it all myself, but if I had a virtual product I think I'd be able to do it. Between managing the warehouse and inventory and people and everything else, I've started doing a lot more outsourcing.

Susan Hill has kind of been a huge asset for me in that. She's kind of taught me all the different ways that you can possibly outsource.

Some of them I'd never thought of before, so I've been able to take what she does and really start to apply it to different things that I was forcing myself to do on my own and wasting a lot of time.

Yanik: Well, what's been some of the surprising things that you've outsourced?

Gary: I knew enough about html to be dangerous, so I always tried to do it myself, but now I've gotten a pretty good network of people through Elance or through a couple of the other different outsourcing pages, that I have reliable people I can just go to to do it.

When you look at it from the value of your time versus what they're charging, it's well worth it to outsource some of this stuff.

Even the article writing and some of that stuff that I would sit here and do myself, it's much cheaper to pay somebody else to do it if you can still get the same quality out of it.

Yanik: What's been your process? I've been hit or miss with outsourcing. What's been your process to manage your outsourcers?

Gary: What I've been doing is let's say for articles or if I'm looking for articles for a new website. I will try to hire 3 or 4 people to give me a block of articles.

I test the quality of it, and then I'll narrow it down to two of them. And then I keep those two in constant rotation. That way I always have one in backup, and the one that's working I know I've been able to weed out of a couple of different people. I never just go with one person because you never know how that's going to pan out in the end.

But if you keep one or two in rotation, then just keep feeding them different projects to do, it seems to be a pretty easy way for me to manage it and to keep reliable people on staff.

Yanik: And do you do anything like put everyone in Basecamp or anything like that to make

“...you can't just go for the main keywords. You've got to go for the long tail keywords.”

sure that they're...?

Gary: I've actually just started using Basecamp because for IT work, I've been working with a couple of different people for IT. So it's been everybody is working on different aspects of the site because we outsourced the kitchen design tool to one company.

I have an IT guy that does all the hard coding for the site. So they've actually forced me to go into Basecamp, so I just started learning how to use it and I really like it. It's a lot easier to manage people and see all the projects going on.

Yanik: Right. Well let's talk from maybe a 20,000 or 30,000 foot level. If someone was considering that they want to... So you guys don't manufacture anything. All the manufacturing is in China, right?

Gary: Yeah.

Yanik: I mean, the only things you guys really do is market it and market it well and put your own spin on it.

If someone was saying, yeah I'd really like to find a product that I can maybe import from somewhere or even just from the States, do you think there are certain products that work better than others or criteria that you would tell people to look for if they were thinking about going into this eCommerce hard products kind of stuff?

Gary: I mean I've learned a lot especially over the last year in dealing with hard products coming out of China. Actually, I think I talked to you about this last year at the Business Insiders meeting that we had in DC, but we had been working on a whole product line of bamboo cabinets that has literally taken me over a year and a half now just to get everything to what I really want it to be.

The hardest thing in dealing with China or any of the countries that we're importing from now is getting them to understand your perspective on the product and getting all the specifications because usually when they send you a sample, that's not what you're going to end up with. That's kind of what I've been learning the hard way.

So I've found some reliable people over there that I can trust that go to the factory, inspect it for us, make sure all the products are up to spec. We put guarantees into the contracts now, so I'm finally getting that off the ground.

In terms of somebody looking for a product that they could possibly import or even a physical product that they could sell online, I'd say start with something that you know.

Think of something that you have some expertise in or a product that you're familiar with and then research it. See what kind of competitors are out there, who's selling it, whether the margins are good.

You don't want to get into an industry where there's a low margin, unless you know that you can compete on price because it's not worth your time and effort. When we first started this I had no aspirations to have a physical location. I was attempting to go all virtual.

But once our sales got to a certain point, we just couldn't do a virtual anymore. We had to start carrying inventory.

Yanik: Is that why the lead time was so great that you guys weren't able to keep up?

Gary: No, we'd worked out an agreement. With physical products, it was harder for me to do just an affiliate program, especially when you're shipping something that's a couple thousand dollars. It's hard to rely on them for the information and everything that you need, especially in this industry.

When we first started, we were going through a third party that was... We were importing the containers; they were handling it and then shipping it for us along with a couple of other companies. They were basically like a bulk storage warehouse.

We've gotten to be just too much for them to handle, so we had to go out and it ended up being more cost effective for us to just start bringing containers into our own facility, so it wasn't something that I had anticipated originally.

I thought that was just going to be able to drop ship and do all the fun stuff and travel and be able to do it from anywhere. And then we end up getting into the ... about 2 almost 3 years ago now, we ended up having to move into a warehouse. We started out small and just kept growing and growing and growing in terms of the size that we needed.

Yanik: Anything else that you think... I mean, there's obviously so many details on how to make something like this work, but anything else you can think of that might be a good secret or insight for someone that wants to start going with the physical products?

Gary: Yeah, the key is to finding a... one of the things that I found in our industry too is that everybody claims to be a distributor or claims to have inventory.

If you're going to partner with somebody or to start doing drop shipping from a manufacturer from a facility, you've really got to research and make sure that they're able to keep up with the demand or to actually supply the product.

In the beginning when we started doing this, we ran into a credibility issue because it's just for somebody to rely on somebody else to do everything for you, you have to make sure they can be it for you.

A lot of the people in our industry can't do it, so I would just research the manufacturer, research the distributor. Make sure that they have the inventory on hand and that they're able to handle what you're looking for.

For our industry when we first started, to have product drop shipped the way we were doing it, it was unheard of. So nobody really knew how to handle that. It was a learning curve on their end, just as much as it was a learning curve on our end.

“In terms of somebody looking for a product that they could import..., I'd say start with something that you know.”

Yanik: When you're selling physical products and other people have access to the same sort of inventory, how do you think can differentiate your offerings from other people? That's kind of where I always try and think about it – ok, where's the differentiation point?

Because if we're only competing on price, a lot of times unless we have a way to buy in mass amounts of bulk, then it's going to be a hard way to compete. Are there factors that you think people should consider as they're trying to craft their value proposition there?

Gary: I mean with the way that we've been able to do it, we've... For a while there we were just competing strictly on price, but it was getting the name brand recognition. While we don't have the brand name on our physical product, we created the brand name through the TV shows.

So if you can find a way to create a brand name or differentiate yourself... One of the things that I try to do that I know nobody else in our industry has done is we invested a lot of money into the kitchen design tool, so that we basically made it a one stop shop for people.

They can come to our site with the dimensions of their kitchen, lay it out right there, and it automatically dumps everything into their shopping cart. If they were to go to Home Depot or Lowe's right now, they would have to pay \$150 for the same thing.

Then if they want to buy them there, they get to keep it. If not, they don't even get to keep a copy of it.

We just basically try to make it as easy and user-friendly as humanly possible for people. Our product may be a little different than selling physical products like luggage or something that doesn't have as many technical aspects, but I just think if you can differentiate yourself in terms of your image or even the information that you're providing people...

Yanik: Yeah it sounds like you guys are doing it by the education, right, because of all the articles?

Gary: Yeah that's the biggest thing. We try to educate people as much as humanly possible, whether it's through the software or whether it's through videos or even something as simple as the receiving process for us.

Most people are not used to having a 53-foot truck show up at their house and have to unload it and check it and everything else.

So just the fact that we created a video that walks them through the whole process - it gave them a comfort level I guess you could say that they knew what they were getting into versus somebody else that just says we're going to ship it to you and all of a sudden it shows up at their house, and they're like holy cow, what is this?

So the more information you can feed somebody, I think the more comfortable they are with your business and in the end the more they'll end up paying for the product, even if they can get it a little bit cheaper.

Yanik: Yeah, I mean as a quick aside story, I've gotten stuck even when I probably should have known better, or I guess it's a lesson learned, when I used to sell medical equipment.

One time I sold an entire clinic down in Miami, and it was like 24 exam tables and 24 blood pressure units and the otoscopes and ophthalmoscopes and all the other things that go into an exam room.

I was really excited about the sale, and so I thought I'd take a vacation and go install the stuff down there. Unbeknownst to me the trucking company sent over a truck without a lift gate on it.

Gary: Oh yeah.

Yanik: So we had 24 exam tables – 12 stacked on top of one another that are about 400 pounds each. It was me and my step-brother and this like 65 year old delivery dude.

Gary: That would be a fun project.

Yanik: Yeah, that was awesome. So even something as simple as that, right? I think that's incredibly important is thinking through the whole process of what happens even when the customer gets the products. It's not done with the sale. So that's really interesting.

Gary: Yeah, as dumb as it may sound, one of the things that I ... because sometimes you take for granted that people are going to know things that you know.

So when we first started getting questions, I actually just sat down with my parents, and I'm like - I want you to just walk through this and just ask me every stupid question that you can think of because you get so used to doing what you do that you forget that some people don't know anything about it.

Just asking people for their input can change your perspective on what information you can provide to people.

Yanik: Yeah, that's a good one. Alright let's change gears here a little bit, and let's talk about just some of the cool stuff you do in your company, whether it's working with Habitat for Humanity or Toys for Tots Christmas drive or you've got your yearly sales contest. What do you want to hit first?

Gary: Yeah, I've always tried to do some of that stuff. One of the things about Mavericks is always about giving back, and we've tried to partner up with either industries or businesses we thought could use the products we sell or we'd be able to add some value to.

Habitat for Humanity was almost a natural fit for us. They're building houses all over the country, and for us to be able to supply something significantly cheaper than they could actually source it for themselves, that's giving back to the community.

It was a win-win situation for us. They're a little bit difficult to deal with because there's no main office. You basically get contacted by all these different regional offices, but

“Just asking people for their input can change your perspective on what information you can provide to people.”

we participate in some of the programs that they do when they're redoing houses.

We supply to some of their restores, which are basically if you have a slightly damaged product, you can take it there. If somebody buys it, then that money is donated to Habitat for Humanity.

It's a partnership that we've tried to keep going as long as we can here. We've done several projects with them, big and small, throughout the country. It just feels good when you get to see the finished product and know that somebody is benefitting from it.

Yanik: Then do you guys publicize that or make your customers aware of that or say that a percentage of sales goes toward this?

Gary: Yeah, we try to promote it as much as possible. There are some restrictions on what we can say and do, which I found out the hard way with some of the TV shows too. We try to make light of it as much as we can that we are working with some of them.

We're working on a program now where we actually are going to take a percentage of the proceeds from sales and start donating them directly to Habitat instead of waiting for projects to come up because the only way we get involved in a project now is if somebody contacts us.

So at least if we start donating a percentage of sales, we can continuously give back regardless.

Yanik: Right, so you can keep using that nice tie in. And you're right, it does fit. That's one of the things that I always try and just talk to business owners about whenever I talk about doing good is it has to make sense. It has to also come from a place of authenticity for you.

So for you guys it does make perfect sense, like the example I always put up is Kentucky Fried Chicken just recently ran a campaign for breast cancer with pink buckets of chicken.

Like 50 cents of every bucket went toward breast cancer. While it's great that they contributed – I don't know what it was – I think it was like a million or two million that they said was a guarantee.

That's great, but there's no real tie in. It makes no sense there. I think it weakens that whole part of the give. But yeah, Habitat for Humanity makes perfect sense. And then you also told me that you work with Toys for Tots a little bit. What is that about?

Gary: Yeah, every year. I had always done it before I had the business. It was kind of a family thing that we did. We always instead of buying each other gifts, we'd always make a donation to Toys for Tots.

The first year we did it here in the office everybody started contributing. And then I said, you know? Why don't we just invite some of the customers with it? I think we did that the last two years where we got donations from customers. They could either drop off toys or give a monetary donation.

It's just a great way to give back around Christmastime. We've done it with Toys for Tots. We did it with the Philadelphia Children's Hospital. We try to pick a different organization every year, but it's just a great way around the holidays to feel like you're

giving something back to somebody else.

Yanik: Right. Ok, and then you mentioned to me that you guys have a yearly sales contest. What's that involve?

Gary: Yeah, every year it seems to be getting bigger and bigger. We started it two years ago I think it was. We started doing a submission contest to see who did the best job on a kitchen or who had the best story.

Last year we did a video contest, which I was just blown away by some of the submissions. I mean, some of them looked like they were professionally done by a camera crew and everything.

It's kind of two-fold. It gets the customers involved. It gets them excited about showing off their product, showing off their finished kitchen or their bathroom or whatever it is. It also gives us great content that we can use. I've been using pictures, videos, testimonials, everything from that stuff. That just feeds me throughout the year.

We're excited. We're actually going to be launching the next one pretty soon here. It just keeps getting bigger and bigger every year. I got Mike Cline's team involved with the one last year, and it was just a huge success.

We had it tied into Facebook, and you know video submission contests where their friends could vote for them. An average video was getting 1,600 or 1,700 votes, so that's 1,600 or 1,700 people per video that were coming to our site and ended up checking out our product at the same time.

Yanik: What were you using? What was the incentive for them to put together a submission?

Gary: We did a couple of things. One was mainly for the entrance to post it on Facebook and encourage your friends to vote. The winner was decided on the number of votes they had, so the more people they got to vote the more likely they were to win.

But we also had the people that were coming to the site. We didn't want to inundate them with sales information, so we just gave them a friendly reminder after they voted that they can go see where they got their product from.

But we also encouraged them to leave comments and everything else by offering them dinner gift cards and different things. I think one week we did a Home Depot gift card. One week we did a dinner gift card. Just different gift type of cards like that just to give them something for voting.

Yanik: So that's even for the voters. What did the people who made their submissions, what was their big carrot?

Gary: The winning video last year was \$5,000.

“Last year we did a video contest. ...It’s kind of two-fold. It gets the customers involved. ... It also gives us great content that we can use.”

Yanik: Oh, ok. That's pretty decent.

Gary: Yeah, I mean the average transaction for us is probably about \$2,500. So if somebody bought their kitchen, they ended up basically getting a free kitchen and paying for the labor or whatever else they did.

To me, that's pretty good. This year we're actually upping it. I don't know what the final number is going to be, but we had so much success with it last year that I think we're just going to keep going and going with this thing.

Yanik: That's pretty awesome. It might even be worth including that in your sales material somewhere to get them to tip over to buying. Just saying if you buy you're included in this contest.

Gary: It's amazing – even the videos that were submitted, the one I was just blown away by. So we use it in all of our marketing material. You'd have to see the video, but there's just this little girl and this story line that they put into it. It's funny. It's everything.

It talks about our business and how we helped them. I don't think I could have hired a company to make one better than what they made, so we use it all of our emails and everything else.

Yanik: Yeah, it'd be pretty interesting if, you know, tie it into like some sort of quarterly – do a smaller quarterly contest. You said the average order is like \$2,500. If every quarter you guys gave away \$2500, and it was almost like ok you could get your dream kitchen for free. We're going to run this contest at this point, and it's closing on this date.

Gary: Yeah, the interesting thing is the contest that we've run has always been for people that have already bought from us and they were telling their experience. I think what we're hoping we're going to do either this year or maybe next year is do it for people that either can't afford it or really have a nightmare of a kitchen. So we'll have them explain why they really need the kitchen.

Yanik: (laughs) That'd be pretty interesting. That's a good idea.

Gary: Put the opposite spin on it – like why do you need our cabinets? Instead of your cabinets are great because we already installed them. So I don't know if we're going to do it this year or if we're going to do a quarterly one. But it'll be interesting to see what the results are from that.

Yanik: Yeah. Actually there's one other thing I want to talk about before we get into lifestyle stuff. I forgot to ask you about the other market you have, which is not direct consumer but business to business. So since it sounds like you guys have such great margins, it sounds like you guys started selling directly to contractors too.

Gary: Yeah, if I've got to give a breakdown, I'd say it's about 40% contractor, 60% homeowner. We've really marketed our product towards contractors as well.

In fact we're trying to spin off a side website that's basically just for contractors – give them business tips, give them different discounts, work out discounts with other companies, but really make it like a membership... not a membership site, but basically like a free resource for them to keep them involved with our company.

We do programs for buying volumes and different things throughout the year so that if you reach a certain plateau of sales, then you get an extra percentage off. It's a

friendly product for contractors, and really those are the ones we want to keep happy because realistically with the product that we sell it's usually a one and done sale if it's a homeowner.

We can keep in touch with them over the years, but once you redo your kitchen, what are the odds that you're going to need one for another ten years or so?

Yanik:

Right.

Gary:

So contractors, even though they're not quite 50% of our sales in terms of people. In terms of actual volume, they probably do a much larger chunk of our business because they give us repeat business.

Yanik:

Hey, remind me offline that I want to hook you up with someone who used to be like the marketing guru to contractors.

Gary:

Ok, yeah. That'd be awesome.

Yanik:

I don't know if I ever told you about him or not, but yeah so after this just hang out for a sec. Alright, well let's talk a little bit about lifestyle. So I know that Maverick Business Insider – our big Summer Extravaganza event, you were there... were you there 2 years in a row?

Gary:

No, actually last year was my first year.

Yanik:

Last year? Ok. And then you came skydiving with us, right?

Gary:

Yes. That was an interesting experience.

Yanik:

(laughs) Yeah, especially since there was a crazy chicken suit involved.

Gary:

Never good when the guy that you're jumping out of the plane with tells you that you're exceeding the weight limit for the parachute so he's not sure how it's going to go.

Not something you want to hear before you jump out of a plane.

Yanik:

No, definitely not something you want to hear. At least he's strapped to you, so if you guys go down it's together.

Gary:

Yeah, you just go down a lot faster.

Yanik:

Yeah. Talk about what's your take or your philosophy on lifestyle and how I think all of us could probably work 24/7, but what's your take on what's important and how do you balance that?

“[It's] never good when the guy that you're jumping out of the plane with tells you that you're exceeding the weight limit for the parachute...”

Gary: It's true. The thing about owning your own business is you can literally find something to do 24 hours a day. It's something that if you don't get away from every now and again, I think you really do get burned out on it.

I did a lot of traveling last year, probably more than I should have. But you've got to get away; you've got to experience life. That's what we're in business for. You become an entrepreneur so you can make the money that you want to make and ultimately have the lifestyle that you want. It can't be all work.

I mean, you've really got to mix stuff in there. So stuff like everybody else in Mavericks, I've got my list of different things and I'm checking off of adventures that I want to do and different things that I want to see and do. I've been lucky enough that the business has taken off to the point where I can start taking off and doing some of that stuff.

Yanik: Do you think people should wait until they have their business kind of locked in and they can afford to take off? Or has that always been a constant thing for you?

Gary: I think it's person-specific. I mean, it's all what your comfort level is. I have a different perspective on it, I think, because I went through one business that was a complete bust. So now I've always got that lingering in the back of my head that at all costs I'm going to make sure that I don't let that happen to this one.

I think it's all in your comfort level. I think you've got to balance out work with that. If you can find a way to outsource and take some of the workload off of you and still make the margins that you need and everything else,

I think you should do it as soon as your comfort level says so. For me, it took a while to get comfortable – ok, the business is on stable ground. We've never had any debt in this business. It's a pure profit business at this point, so it's given me that luxury to be able to travel now.

Yanik: Right. Ok. And you talk about having your list put together. What kind of items are on your list right now, and how'd you come up with it?

Gary: It's always a work in progress. I just keep adding things as I go along here, but just getting to the World Series, the Super Bowls, all the big sporting events. I've always been a big sporting guy. Getting to cross all them off of my list has been pretty cool.

I don't have some of the crazy adventures that some of the other Mavericks have on their list, but ... you know, wrestle with lions or -

Yanik: Everyone's list is unique.

Gary: - deep diving at the North Pole or anything like that wasn't one of the things I considered. You know, I just keep adding and subtracting things as I go along here. It's just fun to be able to cross some of that stuff off.

Yanik: What's the coolest stuff that's on the list that you've crossed off so far? The World Series and some of the sporting events?

Gary: Yeah, the sporting events. I went out and got the car that I've always wanted, so that was pretty cool to be able to do that.

Some of the things that I've always wanted to do aren't as exciting. You know, they're

not super adventurous, but yet they're important to me in terms of different things for my family and being able to do different things for family members and friends.

Being able to share some of that with them was one of the things that I've always wanted to be able to do.

Yanik: I think that's incredibly important is everyone's list and what the lifestyle is is going to be unique to them. While jumping out of airplanes and diving with sharks is one person's lifestyle, I think you said it perfectly – it's the things that are important to you and that's what makes the list.

“For anybody that’s aspiring to have their own business or to launch something they don’t think they can, I can tell you that you can do it.”

Alright, great. So this car that you've always wanted, are you going to be driving this down to the Summer Extravaganza event this year?

Gary: I might. I actually had it last year. I bought it last year, and it's been pretty fun to drive.

Yanik: Alright. Awesome. Are you going to be coming back down for it?

Gary: Yeah, actually I think I am. I'm planning on it at this point

The only variables I have are things that go wrong in my business. Provided that nothing major happens, I'm down there.

Yanik: Alright, so I don't know what date we're going to release this video, but hopefully it's before the event so you guys will be able to hang out and meet Gary and probably some of the other Maverick1000 members that are coming out.

And then once again the website is RTACabinetStore.com if you're in the marketplace for cabinets or anyone you know is thinking about a kitchen remodel. You guys do bathroom cabinets too or just kitchen?

Gary: Yep, kitchen and bathroom.

Yanik: So if you're doing a kitchen and bathroom remodel, this is the spot to go. It's your secret stash for about 30, 40, 50% off what you can get at Home Depot or Lowe's or wherever. Any final thoughts or words you want to leave us with?

Gary: No, it's just been a fun roller coaster ride so far. Luckily it just keeps going up and up for us. I think it's something that's attainable for just about anybody if you put your mind to it, to be honest with you.

Especially after going through a really big low all the way to a big high. I've seen both sides of it. For anybody that's aspiring to have their own business or to launch something they don't think they can, I can tell you that you can do it.

Our featured Charity for this month is Frank McKinney's Caring House Project Foundation. If you read the "34 Rules for Maverick Entrepreneurs" book, you'll remember Frank's incredible interview on giving and philanthropy. We are proud to support the Caring House Project Foundation and you might want to consider it for yourself:



Caring House Project Foundation

"We are fortunate to be blessed with the ability to succeed not for our sole benefit, but so we may apply the result of our success to assist others."



Our Mission:

"The Caring House Project Foundation shall create projects based upon self-sufficiency by providing housing, food, water, medical support and opportunity for the desperately poor and homeless from around the world, particularly in the Caribbean, South America, Africa, and here in the USA."

In 1998, Frank and Nilsa McKinney founded the **Caring House Project Foundation** on the premise that stability begins at home. Without the most basic needs of shelter being met, there is often little hope.

Our mission has expanded over the years to include elements now crucial to a self-sufficient existence where the poor and homeless will no longer have to rely on government or charities to sustain and improve their lives.



Please help share our blessings with the world's less fortunate. Think of the deep satisfaction of seeing a village rise up out of the ground. Contemplate the incredible impact that can be made on thousands of lives, not just for today, but for generations to come. You can make a difference by donating as little as to buy a chicken or goat to feed a family. Or build a house for shelter or contribute to emergency food relief—won't you please join us by donating today? To donate, please visit www.frank-mckinney.com/donate.aspx

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