

The Busy Person's Guide™ to...

**How to Save
Thousands
of Dollars
for Your
Small Business —
Even in
Tough Times**

An Interview with Rob and Terry Adams

Contact Information

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Lanford Inc.
197 New Market Center #115
Boone, NC 28607
828-262-5885
Email: orders@svr.com
Web site: Ebooks-I-Recommend.com
Lanford.com

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The Busy Person's Guide™ ... How to Save Thousands Of Dollars For Your Small Business — Even in Tough Times

Dr. Audri Lanford Interviews Rob and Terry Adams

“If you're looking for foolproof ways to stretch your buying power, read this ebook! Rob and Terry Adams are the experts when it comes to bargain-hunting for small business, and here they teach you their secrets.

—Art Beroff, United States Small Business Administration National Advisory Council Member and Author of *Where's The Money: Sure-Fire Financing Solutions For Your Small Business*

Did you know:

- That some people get the sale price even BEFORE the item goes on sale?
- That most of the best bargains can be found not in outlet stores, but at the retailers and wholesalers where you usually buy?
- That there are people out there who almost never pay full price for business supplies, or anything else for that matter?

Now, you can be one of those people. In fact, this ebook shows you how you can save on the very next purchase you make — and have fun doing it!

Audri: Welcome Rob and Terry! It's a real pleasure to talk with you today about a topic that is going to make a huge difference to the business — and personal — success of our readers: *How to Save Thousands Of Dollars For Your Small Business — Even in Tough Times*.

Before we get going, can you tell us a little about your backgrounds?

Rob: Sure, and it's a pleasure to be here today. Terry and I buy for a living, so we have to buy smart and save

money. It's a business survival skill. :)

As the managing partners of a real estate development and property management company, we purchase distressed properties in our resort town, give them “beauty makeovers” that include remodeling and curb appeal, as well as furnishings from beds and appliances to dishes, and then integrate them into our rental program.

We're also authors and publishers. Our company, Avebury Books, specializes in small business information. Over the years, we've developed dozens of secrets, tips, and tricks to get the best deals, discounts, and savings on everything from electronics to vehicles, materials and supplies to services, bank loans, buildings — and more.

“Any products or services — whatever you need — you can use our tips to obtain them.”

The techniques we've discovered work for any business. We know, through our book, *The Bargain Hunter's Handbook: How To Buy Almost Anything For Next To Nothing*, as well as our numerous radio and TV guest spots, that we've taught lots of people to save money by buying smart. And they've all been thrilled with their success.

By the way, if you're not used to these steps, they might seem a bit daunting to you. Once you've finished reading this ebook, think about something you've been planning to buy. Then go out and try these techniques for yourself. You'll be very pleased at the results.

Audri: Sounds great. Let's get to the toughest question first. Saving a lot of money sounds wonderful, but it's often so time consuming that it isn't worth it. And our readers are really busy. (After all, this is called “The Busy Person's Guide™” series.) Can our readers really save enough money to make it worthwhile — without spending a lot of time doing it?

Terry: Good question, Audri. Saving money the Bargain Hunter's way doesn't take much more time than shop-

“ It sounds
simplistic,
but it’s
actually a
concept
many people
have a hard
time with:
Saving
money is
really
another way
of earning it.

ping for goods and services the way most people do. In the long run, it saves time as well as money. Every dollar you save — or ten dollars or one hundred or one thousand dollars — by shopping smart is a dollar in your bank account that you wouldn’t otherwise have, a dollar you’d have to expend extra time and effort to earn (and then pay income tax on).

Consider the owner of a business with a 10% profit margin. To make \$1 (before taxes), they have to sell \$10 worth of products. If they lose out on \$100 in savings they could have had otherwise, they need to sell \$1,000 more to make up for that loss! It takes a lot more time and effort to make sales worth \$1,000 than to save \$100.

We’re not advocating that you become a 21st century Ebenezer Scrooge, miserly hoarding every last penny. We just encourage you to understand that the money you save by bargain hunting for, say, a new computer, is money you can then spend to increase your cash flow by buying advertising, hiring a new sales rep, purchasing new inventory with which to entice your customers, or whatever. So every dollar you save by buying bargains can then go out to earn more money for you. And isn’t that what successful business is all about?

It’s a layering process, one that you use (or should use) in every aspect of your business. It takes extra time, for instance, to determine the very best price for a product or service you offer, but once you’ve done your calculations, the rest is easy. You can go about your other work without thinking about it. Bargain hunting works the same way; once you’ve laid the groundwork, you can often sit back and let the bargains come to you.

Audri: That sounds good. How much is reasonable for a small business owner to expect to save using the techniques we’re going to discuss?

Rob: That’s a question with no cut-and-dried answer. It all depends on what the business owner is shopping for. In your very first week using our techniques, you might easily save \$1,400 on a laptop computer (as we did just a few weeks ago) or \$5,000 on a company vehicle. You might put our secrets to work and save \$10,000 or perhaps more on a new business loan in your first 30 days. Or you might only realize savings of \$50 to \$100 at first — but even that’s still *much* more than you paid for this ebook. And you can use the techniques over and over again, year after year. It’s up to you: what you’re looking for and when, and how diligently you put our techniques into practice.

Audri: How long is it going to take for our readers to start saving money?

Rob: You can start saving money the very first time you use our techniques. That’s the time frame most people report, but again, it depends on what you’re buying and on your own buying style. You wouldn’t take long to decide on a new coffee maker for the office, but you’d spend a lot more time choosing the office. ;-)

Audri: What are the biggest myths related to getting huge discounts — and saving money — for your business?

Terry: There are four big ones.

“*You can generally find much better discounts on the products you really need for your business at the retailers — as well as wholesalers — where you usually buy.*”

The Four Big Myths that Stop People from Saving A Lot of Money

#1 The places where I usually shop don’t discount.

Most people think you can only find big savings at special discount retailers like Costco or at outlet malls. Which just isn’t true. The combination of knowing what questions to ask along with our other secrets, and developing relationships with the sellers, garners terrific

savings from the places you already shop as well as from any new ‘non-discount’ merchants you care to try.

#2 Bargain hunting is only for ruthless people with tight fists, steely dispositions, and beady eyes.

Not so! Negotiating for bargains our way is a mutually beneficial, win-win situation in which you help the seller as much as he helps you. Everybody comes out ahead and you often forge long-lasting friendships as well as terrific business deals.

#3 “I don’t have the chutzpah to bargain.”

You don’t need chutzpah, moxie, or guts. You only have to be yourself; in fact, being yourself is the very best way to shop for savings. Merchants are used to buyers who treat them as impersonal servants. They love working with buyers who treat them as equals and as professionals. Be yourself, let them be themselves, and watch the savings roll in.

#4 People who shop for bargains are cheap-skates.

Definitely not! Shopping for savings is smart business, not penny-pinching. You can buy much more, help merchants as well as yourself, and spread the wealth around your community — from hiring new staff to paying your current employees more to donating to charities to keeping your family safe and happy — when you have savings from your bargains to invest in all these important efforts.

“A sense of humor is also important. Shopping for discounts should be fun for both you and the seller. If you take it too seriously you lose your edge.”

Audri: Does it take any special talents and skills to succeed at this?

Rob: You need the ability to speak the same language as the seller (i.e., English, Spanish, Martian, or whatever), the ability to ask questions and listen to answers, and a sense of adventure. (You never know what deals you might run across!)

Audri: What talents and skills that our readers might think are important really don't matter?

Terry: As we said, you don't need to be ruthless, gutsy, or hard-hearted. You don't need the desire or ability to drive four hours away to find discount deals.

Audri: OK, this might sound obvious, but I think it's important to cover. Why is it important to save money?

Rob: As we've explained, a dollar — or ten or even ten thousand dollars — saved is money you can put to work earning more money for you.

Saving money isn't just about getting envious sighs from your friends and colleagues on the deal you got (although that's always fun!). Saving money is good, smart business. Saving is equivalent to earning. If you can't save what you earn, you can't increase your cash flow and your bank balance. And saving is much more than not spending; it's spending the right way.

Audri: Can you tell us a little about your main secrets for saving money?

7 Secrets to Saving Money

Terry: Sure. Our first, and perhaps most important, secret is:

#1 Don't be shy.

You can't get a deal if you don't ask for it. And there's no reason not to.

Bargaining — or, if you like, negotiating — is a fair exchange. You give the merchant an opportunity to move his products or services — to make money — and he gives you a deal. If this sounds a little crazy, understand that retailers, and wholesalers, too, would rather sell their products at a discount than not sell at all. They've got plenty of competition, and often they'd rather get your business at a discount than have you go

“Keep in mind”
that every
successful
businessperson,
from Donald
Trump to
Martha
Stewart, always
asks for — and
expects to
receive —
discounts.
You're doing
your company a
disservice if you
don't do the
same.

“ Merchants ”
also often
suffer from
an excess of
stock on their
shelves; if
they don't sell
it, they don't
have room
for newer
merchandise
that will sell
at a higher
price.

to the merchant down the street with your money. (If you purchase from them once, you'll probably come back to shop again; thus the idea of offering coupons.)

Merchants would also rather sell to you at a discount than not be able to display new goods. This goes for computers to carpets to crafting materials to just about anything else you can name.

They won't, of course, race up to you the moment you walk in the door and beg you to buy at a discount. So you've got to ask. Say something like, “Do you have any deals right now on a desk?” (or computer, cell phone, case load of widgets, or whatever) — and watch what happens. Most of the time, they'll say, “Yes,” and lead you right to terrific bargains.

#2 Present a logical reason for the seller to give you a discount.

While merchants love to make deals as much as you do, you have to give them a good reason for doing so; just because you want a bargain isn't good enough. These, however, will do the trick:

- a. **Overstocks.** If you notice that the merchant has an excess of a specific product, ask for a discount on one or a few (depending of course on price and size). You can often get a tremendous discount if you buy the entire lot. Say, for instance, you've got a gift basket business and you notice an overstock of stuffed bears. While most people might buy one or two, you can buy all 50 on the shelf because you know they'll fill out your baskets and delight your customers. And the retailer will be so thrilled to have you buy the whole lot — thereby making room for the shipment of bunnies arriving tomorrow — that he'll often cut you an unbelievable deal.
- b. **Missing packaging.** You'll frequently find merchandise that's new but is no longer in the original pack-

aging, either because it was on display or some curious customer unwrapped it and tore the wrapping or couldn't figure out how to get it back in the box. Ask for — and get — great deals on these items. Just be sure all the bits and pieces as well as the literature, if applicable, are still on hand. Also ask the merchant, "If I get it back to my office and discover that something is missing or doesn't work, can I return it and get my purchase price back or can you send to the manufacturer for the missing item?"

- c. **Older models.** You can get fantastic deals on some products — especially electronics, computers, and cellular phones — when the newer models hit the shelves. An item that was really hot literally yesterday can go for as much as \$1,000 less today simply because the latest upgrade has been unveiled.
- d. **Reconditioned models.** When shopping for electronics, cameras, computers, and similar items, ask if a reconditioned model is available. These are units that have been turned in by customers because of a hardware flaw (which is often merely that the customer couldn't figure out how to use the machine) and been brought back to good-as or better-than-new condition. They come with all the original software, warranties, and bells and whistles, as well as with fabulous discounts. Don't forget to ask about any rebates as well!
- e. **Demos and display models.** You can also get terrific bargains on items that have been used for demonstration or display. They're still relatively new or brand-new (depending on how long they've been on display and how many demos they've gone through), but they usually come with all the software, warranties, and bells and whistles.
- f. **Special orders.** Stores often get stuck with specially ordered items, from flooring to furniture to appli-

“Some stores clearly mark and display reconditioned or returned items (sometimes calling them ‘open box specials’) but at many others, you have to ask or you’ll never know these gems exist.”

ances (all great for furnishing your office or showroom), that customers never claimed. You usually have to ask for these items as they're tucked away in the back room and not on display, but they're brand-new and can be had at terrific discounts.

- g. ***Out of season merchandise.*** Most shoppers buy items in season, forgetting that, unlike seasonal fruits and veggies, most products don't go bad when the weather changes. You can get great deals by buying at season's end. Say for instance that you've got a catering service. You notice that as fall approaches, your local home improvement store still has designer gas grills in stock. You know nobody else will be interested at this time of year and the merchant is anxious to clear them out and make room for winter merchandise. Ask for a discount; then save that grill for next season. Come summer, when prices and temperatures soar, you'll be cool — and smart — with your terrific deal.

Audri: We do this with Christmas cards. We usually save about 75%! And, they don't take much room to store. Plus, when we really need them next year and we're super-busy during the holiday season, we don't have to fight the crowds for picked-through cards at full price.

Terry: Exactly! Our next big secret is:

“ *Once you get attached to a product or service, you lose your bargaining edge. Keep your cool!* ”

#3 **Don't get attached.**

What we mean by this is, keep a cool head; don't fall so deeply in love with a product or service that you agree to pay the sticker price without bargaining.

Let's take an example — you need an office copier. You find one at your favorite office superstore that has all the features you want, plus a few you didn't even know existed. Now that you know about them, you feel you just can't live without them, even though the machine is priced several hundred dollars over your budget.

This is OK, so long as you don't let the salesperson see the look of desperate lust on your face. Once he sees it, you've lost the bargaining battle. Instead, act nonchalant. Ask what's the best he can do on a price. If the salesman says, "That is the best price," thank him and be prepared to walk away. Often, realizing he's losing you, the salesman will say something like, "Oh wait, I think that machine is going on sale next week. Let me get the manager." He'll come back with the manager, who will proceed to give you next week's sale price today.

Think how unhappy you'd be if you bought it for full price today and found it sale-priced the following week! (Here's a tip: If this does happen to you, ask if the store will refund the difference.)

“As a business person yourself, you can appreciate that merchants — whether wholesale or retail — have a bottom line they can't cross if they want to earn revenues.”

This don't-get-attached trick works more often than you might imagine. If you're shopping for a riding lawn mower for your landscape maintenance company, for instance, and you find one that's already on sale but still overpriced, try saying something like, "You know, this is just what I had in mind, but it's over my price range. Can you do any better on it?" If the salesman says he's afraid not, thank him and start walking away. When he sees your retreating back, he'll often say something like, "Well, I could come down another 10 percent on it."

Sometimes, of course, you just have to walk away. That's OK, too. It doesn't mean you can't walk back again.

You probably know the feeling of letting a client or customer walk away from a possible sale and wishing you hadn't turned down his offer. So do merchants. It's OK to come back to a merchant after a day, a week, or a month and start up negotiations again. You can often get great deals this way.

Most people find it hard to believe that you can simply waltz up to a salesperson, ask for a price reduction, and get it. That's because they don't know another bargain seeking secret:

“*Salespeople are much more likely to give you a discount when you show that you're not some dilettante looky-loo, but someone who's as interested in buying their products or services as they are in selling them.*”

#4 You have to show that your intentions are serious.

You don't simply breeze into the store and demand a discount. Instead you engage the seller in conversation about his product or service. Ask questions about it. You might even throw out buzzwords from the research you've done.

If you're shopping for that computer, for instance, ask about gigs of drive space, integrated modems, and DVD drives. We don't recommend that you be an annoying know-it-all. On the contrary, ask questions. Let that salesperson shine with his own expertise. Your interest will motivate him to work with you on a deal.

After you get the discount and purchase the product — or even if you don't — go on to our next secret:

#5 Remember that you've made a friend in the business and a buddy in the store.

Next time you're in the store, take the time to tell the salesman how much you're enjoying the product and to thank him again for the discount. Each time you shop, give him a friendly “hey,” and ask how he's doing.

Besides this salesperson, get to know the people who run the other stores you frequent, whether it's that office superstore, the building supply center where you purchase materials for your construction business, the antiques boutique where you shop for accessories for your interior design clients, or wherever. Keep your eyes open for familiar faces and learn who's who, from department managers to the store managers to sharp salespeople. These are the people who know what and where the bargains are, and either have the power to

“Remember”
that salespeople
aren't servants
of the stores;
they're your
strongest
bargaining
allies.

discount or the ambition to take your request to someone who can approve it.

While you don't want to snub anybody, you also don't need to waste your time with the person who can't be bothered to negotiate. You know, the “if it's not on the shelf, we don't have it” mindset who doesn't want to go to any effort.

Learn the names of your salespeople and ask for them each time you visit the store. They'll begin looking out for you, eager to share bargains with you — both because you appreciate their efforts and because they're getting commissions, spiffs (sales bonuses), or better margins for their departments from your purchases. As we said, it's a win-win situation.

Soon you'll notice an extra bonus for yourself. The colleagues of your new friend will begin to seek you out when you're in the building to offer you special deals. If you make a practice of handing out your business cards to each one, you'll find that they'll even call you at your office when the really special deals come up.

#6 Genuinely say “Thank you.”

Make it a point to reward your store allies. Many companies offer their employees bonuses or other perks for superior customer service, which you'll definitely be receiving. Call or write to the store manager and tell him how much you appreciate the extra attention you've received from Salesman So-And-So. It's a nice way to return the favor of having a “personal” in-store bargain spotter and it also gives your buddy one more reason to remember you when the next deal rolls around. And of course, don't ever forget to thank the salesperson for giving you the discount; bargaining is a two-way, win-win situation, and it should be a polite one. Everyone likes to be thanked for his or her efforts.

Which brings us to yet another secret:

#7 Don't ever insult and don't get insulted.

This is a very important point. Bargaining — shopping for savings — is a friendly, win-win process. It's sounding out the seller and having him sound out you. Once you get a sense of where each of you is coming from — and going to — you can make your offer, which can be either a bit lower than the asking price or even ridiculously low. But it should never, ever be offered in an insulting manner.

“No one's going to accept your offer if you insult their wares and nobody's going to call you with deals if you hurt their feelings.”

Always put a positive spin on things, even if your logical reason to discount involves a flaw in the product. Instead of telling a consignment retailer, for instance, “I'll give you five bucks for that old file cabinet; it's so hideous nobody else would take it,” you should say something like, “This is a great old file cabinet but it's pretty scuffed up on one side. Would you take five dollars for it?” There's no need, of course, to add that the side that's scuffed will go against your office wall where nobody will see it anyway!

By the same token, don't get your feelings hurt. While most people enjoy bargaining, sooner or later you'll come up against someone who's either a major curmudgeon or has had a really bad day — hair or otherwise — and just isn't in a haggling mood. This person will rebuff your offer in a, shall we say, less than friendly fashion. Don't take it personally. Chances are the next time you see him, he'll be delighted to bargain. And if not, there are plenty of other places to shop and friendly people to work with.

Audri: Those are 7 great secrets, and they make a lot of sense.

Now, what are the three keys to making what you're sharing with us fun?

Rob: Bargain hunting *is* fun. As we've said, you'll find that in addition to getting great discounts on products and services, you'll also make great friends “in the busi-

ness” as well as personally. So, the first key to making the process fun is to **relax and enjoy yourself**.

Remember: You can’t make a mistake, you can’t make a fool of yourself, and you won’t hurt anybody’s feelings. So get into the spirit of the thing and get involved. This is also particularly good for SOHO business people who may be working from a home office and not meeting a lot of people. Shopping the bargain hunter’s way encourages you to get away from your desk for a while and out into the mainstream. It’s networking with an edge.

The second key is to **give yourself a pat on the back** for the discounts you discover and the bargains you negotiate. As a small business person, especially in your first years in operation, it sometimes feels like you’re swimming upstream all the time. But when you shop wisely and negotiate those great deals, you leave that much more money in your bank account — and that’s good!

The third key is to **let in a little serendipity** (which is also another of our secrets)! One of the quirkiest — and definitely more fun — aspects of bargain hunting is that after a while the bargains seem to find you. You get a reputation among your friends and colleagues for having that magic touch that attracts unbelievable deals. And it *is* magic. It comes from your ability to see every business purchase as a potential bargain, a way to save — and thus earn — more money for your company, and to recognize the truly outstanding bargains when they come along.

It also has something to do with your sense of adventure. Discounts appear when you open yourself up to them. The savvy bargain-hunter leaves plenty of room for serendipity.

“Keep your eyes and ears open and your sense of humor fine-tuned, and you’ll find great business discounts in even the most unexpected places.”

Audri: Can building relationships with vendors and suppliers

help me get better deals like it would with retailers?

“ *It’s smart business to develop relationships with these people; the better relationships you build, the better deals you get.* ”

Terry: As a business person, you work with vendors and suppliers all the time. Depending on your industry, you might purchase foods, linens, lumber, books, the ubiquitous widgets, or something entirely different. But whatever the product, you deal with providers on a regular basis. If your company doesn’t buy a lot of (or any) inventory or materials, you still work with vendors and suppliers of services, from your cellular phone to your ISP (Internet service provider) to your insurance broker and attorney.

Here’s an example. A friend of ours who owns a restaurant has dealt with the same vendors for years: the coffee man, the produce man, the dessert vendor. They’re all in and out of the restaurant on a weekly basis. While they’ve always been familiar faces to the owner, they’ve been “just vendors.” And they always charged the standard rate for their goods. But things have changed recently. The produce man brings crates of fruit and exotic veggies — free of charge — as samples. The coffee supplier delivers cases of gourmet blends at a discount, and the dessert vendor suggests, and then delivers, the latest chocoholic’s delight (generally purveyed only to upmarket dinner houses) at a discounted price.

How did all this come about? Our friend discovered — through an employee with a bubbly personality who befriends everyone who walks in the door — that treating the vendors as friends instead of servants (or walking invoices) paid off royally. When these suppliers come into the restaurant now, the owner greets them warmly and asks their advice about what’s new and exciting in the market.

She expresses interest in their wares, and she asks for discounts. “I’d like to try the Tunnel of Fudge Black-Out Cake,” she might say, “but it’s a little pricey. I’m

not sure my customers will pay what I'll have to charge. Why don't we try this? Give me a half dozen at a 25 percent price break and we'll see how it goes." And the dessert vendor usually agrees; he'd rather sell to her at a discount than lose out altogether. And he knows that if they agree on this deal, she'll probably buy lots more in the future. Of course, he has a limited margin to work with. He might say, "I can't give you 25 percent; how about 20?" And they can haggle happily over a cup of coffee.

But as you see, the dessert man now looks forward to their encounters; he feels the owner considers him a professional with all the news of chocolate and other gooey innovations, he enjoys her enthusiasm and camaraderie, and of course, he looks forward to the sales he makes to her.

Here's another example: Our company attorney gives us a price break on various routine filings he does for us. The reason? He likes us — because we've made the effort to build a relationship with him. We always take the time to ask after his family and inquire about their doings. We express our appreciation for his services, not only by thanking him when we talk on the phone or in person, but by sending thank you cards after the successful completion of more difficult and time-consuming projects. He once told us that nobody ever thanks attorneys; that they're considered, like plumbers and dentists, crucial when needed and then best forgotten. We sometimes drop homebaked cookies off at his office.

And we always pay his bills in a timely fashion — which is another thing many attorneys' clients fail to do.

Audri: How can I work with other business people in my industry to get discounts? (I've heard you say that I might even be able to do this with my competitors...)

“ Take the ”
time to build
relationships
with your
vendors —
in return,
they'll treat
you like
valued
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most people
would never
get. It works!

“Wholesalers generally provide generous discounts based on the size of your order; the larger the quantity, the bigger the discount.”

Rob: Yes. There’s strength in numbers. When you’re talking about making purchases, that strength translates into buying in bulk.

If you have a small business, however, this often presents a problem. You can only use — and have room to store — so many fresh apples, packs of holiday-themed gift wrap, paving tiles, widgets, or what-have-you at a time. So you find yourself unable to take advantage of volume discounts.

Unless you buy the bargain hunter’s way. And that is to band together with others in your industry to buy in bulk. Say you’ve got a cozy bed-and-breakfast inn and you find a wholesale supplier that will sell you 50 dozen luxury cotton sheets for 25 percent of what you’d pay if you bought retail, plus an additional 15 percent because you’d buy in bulk. But with only six guest rooms, you’d never use 600 sheets unless you didn’t do laundry for months on end. And who’d want to be stuck in a laundry room with 1,200 dirty bed linens?

But even though you’re a small business, you **can** take advantage of that discount! Call or email the other lodging providers in your area and ask them to buy with you. (Yes, they’re your competitors, but they should also be part of your network of associates.) When 10 of you go in together, you each get five dozen — a usable amount — and you each also get the 15 percent volume discount.

Audri: That’s a great strategy. I bet you might even be able to get a bigger discount sometimes for arranging the deal. :)

OK. How do I get vendors and suppliers to come to me with special offers?

Rob: That’s an easy one. You get vendors and suppliers to bring special sales, discounts, and perks to you the same way you get them to agree to the discounts you suggest

“ Every entre-preneur should know how to buy smart — it’s one of the caveats of successful business. And when it comes to all-star wheeling and dealing, Rob and Terry Adams are top-notch. I highly recommend this book to anyone who wants to get the most from his or her buying dollars.

—Marla Markman,
Managing Editor,
Entrepreneur Magazine

— by building relationships with them and by letting them know you’re interested in special deals.

Here’s an example: In our business, we use a lot of landscape materials, including hundreds of seasonal as well as perennial plantings. As you know — if you’ve ever landscaped your own front garden — flowers, shrubs, and trees don’t come cheap. But we get great deals on our plantings; in fact, we don’t plant anything we don’t get at a discount, and we routinely get 75 percent off our purchases. The best part of all is that we don’t go hunting these deals; the manager of our local garden center calls us when she has bargains and asks if we want to come buy!

Why? Because we’ve built a relationship with her. When we first began landscaping our properties, we took the time to get acquainted with her. We explained what we were shopping for and asked her if she had any deals. She showed us a table full of flowering perennials that were reaching the end of their season; no one else wanted them because fall was approaching and they were past their peak — in fact they were looking a bit peaky. But she assured us that, once planted, they’d dig their roots deep and would actually have a head start on the new and pricey plantings set out for sale the following spring. (Which turned out to be absolutely true.) And she sold them to us at a 75 percent discount.

We thanked the manager, gave her our business card, and asked her to call us when she got similar deals. She does just that. And we love it! We always get not only terrific bargains and the serendipitous thrill of the unexpected — but also the joy of a lasting friendship with a warm and wonderful person who also happens to be a plant expert with the answers to every landscape problem.

Audri: I’ve heard you talk about using the competition to your advantage to get discounts. Can you tell us about that?

Terry: Sure. This is a different technique than buying in bulk with your competitors. In this case, we're talking about using a merchant's or service provider's competitors to get deals.

Basically, what you do is play one against the other. (Do it nicely though.) Say you're shopping for a merchant card service (a service with which you can accept credit cards from your customers). You talk to one that has low rates but charges a \$100 set-up fee and \$15 per month maintenance fee. Then you talk with another that has higher rates but no set-up fee and an \$8 per month maintenance fee. Obviously you want the best of both. So you negotiate for it.

You go back to the first provider and say, "I've investigated several merchant services. All in all, I like yours the best. You have a good reputation and I like your rates. But you charge \$100 for set-up and \$15 per month, which seems steep. Competitor X has no set-up fee and will only charge me \$8 per month. Can you give me the same deal?"

As you'll come to expect the more you bargain hunt, the salesperson says, "Yes." Or "I'll have to ask my supervisor; let me get back to you on that." And then says, "Sure, we can do that." Or "We can waive the set-up fee, but we still have to charge \$15 per month." At which point, you can either agree or try to negotiate more. But any way it goes, you've won a considerable discount.

These types of negotiations work best when you deal with the same person each time. Remember, you're building a relationship. If you have to go back to Square One each time and say, "Well, I talked to somebody last week and he told me X, but I can't remember his name," you lose credibility, strength, and time because you have to start over from scratch. Plus, people like to be remembered, and that's a good start to relationship-building.

“Keep in mind that when you talk to any merchant or vendor, on the phone or in person, it's important to get his or her name.”

Salespeople especially love to be remembered — and in turn they'll remember you. We were in a store last week and were cheerfully hailed by a fellow we didn't immediately recognize. It turned out he was a salesman we'd negotiated with for a few electronics products at a different store six years ago. In the meantime, that store had closed its doors and he'd moved out of state. But he was back visiting our area — and shopping — and was delighted to see us again. He remembered us; and (after he reminded us) we remembered him; he's the one whose girlfriend decorated his apartment in rustic chic. (A tidbit we picked up while relationship building and bargain shopping while he was selling electronics.)

Audri: After six years — you must have made quite an impression!

Switching gears for a moment — how important is researching a product or service before purchasing it, and isn't doing that research awfully time-consuming?

Rob: You don't always have to research the product or service first, but it always helps, especially if you're buying a big-ticket item. You can't know what a good deal is until you know what it isn't. If you knew nothing about computers, for instance, and somebody showed you a Commodore 64 with a sticker price of \$2,500 instead of \$25, you might think that was perfectly reasonable. If you don't know the going price — plus the bells and whistles offered — on current models, you can't possibly determine whether you're saving money on a “bargain” or not.

Buying a big-ticket item like a computer or riding lawn mower or phone system for your building — or whatever — is as important as hiring a new employee. You should give it due time and consideration. Scan trade or industry magazines for reviews of the products and services you're investigating; “window” shop online; comparison shop at different vendors. If you don't have

“*Research, also called due diligence, is something you should always be doing in your business anyway.*”

the time to do this research yourself, assign the task to an employee or, if you're the only employee in your SOHO company, to a family member who likes to shop or is a computer (or whatever) whiz. The Internet can save you lots of time here.

Audri: Does the season often make a difference in shopping for office products and equipment?

Terry: Absolutely. December is a terrific time to shop for office supplies. Manila folders, reams of copier paper, and staplers are not exactly tops on most people's Christmas lists, so it's the season for deals on these items. As we discussed, just after New Year's is also a great time to buy heavily marked-down greeting cards to send to your clients next holiday season. Just don't forget where you stash them!

Spring and fall are the best times to shop for computers. These are the seasons when the new models arrive on the scene, so current models are heavily discounted. This fall, for instance, our company bought a laptop computer. It originally sold for \$2,400, but because the newer models were just out and our machine didn't feature the hot-off-the-press newest operating system, it was marked way down. Add in the fact that it was an "open box" special that had been returned (but still had the original packaging, warranties, and software) and throw in a couple of hefty rebates, and we paid under \$1,000 for this brand-new machine.

“ When ”
shopping
for vehicles,
remember:
you wield a
tremendous
amount of
power just by
walking into
the show-
room.

Audri: How about vehicles? Can you give me some tips on saving money on them?

Rob: We'd be glad to. Most people anticipate a vehicle purchase with a healthy trepidation — car dealers have (on the whole) a well-deserved reputation for being manipulative and underhanded. But as a savvy bargain hunter, you needn't worry; you have the upper hand.

First off, remember that our secret, “Don’t be shy,” translates when dealing with auto dealers into “Don’t be intimidated.” The bottom line of bargaining holds just as true at the car lot as it does at the computer store. The dealer needs you perhaps even more than you need him. When you shop for a company vehicle, you’re giving him an opportunity to move his merchandise.

Those vehicles are costing him money every day they sit on his lot. Don’t be manipulated. Remember, as with every other sort of bargain shopping, you can always walk away.

Use the clock, the calendar, and the Weather Channel for prime vehicle shopping periods. The best hour to hit the dealership is an hour or two before the place closes for the evening. All the employees from the sales manager to the finance person are exhausted and ready to call it a night. And — here’s the kicker — a car purchase is not a quick operation. Maneuvering you, the customer, from initial interest to signing the papers can take hours — hours the dealer counts on using to wear you down so you’ll pay his price, not the one you want to bargain for. But, when you show up late, you turn the tables. The longer the whole thing takes, the more concessions the dealer will be willing to make just to get the deal closed so he can go home.

The best time of the month to hit the dealership is at the end. Salesmen and dealers often have quotas to fill that come due at the end of the month. If they sell a certain number of vehicles, they get a nice bonus. So if you arrive on the last few days of the month, you put them one step closer to that bonus — which means they’ll be much more inclined to bargain to put you in the driver’s seat and themselves in the bonus position.

The best weather to shop in is rain or snow. Get out your umbrella and hit the dealership. Since nobody else will be shopping, salesmen will be more willing to

“ *The absolute best time to buy a car is a rainy, miserable evening on the last day of the month at closing time. You might just make the dealer’s day — and yours!* ”

bargain with you — at least they’ll make one sale that day.

Another tip: Car dealers expect to make money on either your purchase of a new vehicle or by skimping on what they give you on the trade-in of your current jalopy. But you needn’t give in on either issue. Find out the price of your present vehicle by going online at sites like Edmund’s (www.edmunds.com) or Kelly Blue Book (www.kbb.com) so you know its real worth and don’t necessarily have to take what the dealer offers.

Then make sure your car is in tip-top condition when you go to the dealer — no coffee cups littering the dash board, no kids’ homework on the back floorboards, and a thorough shampoo inside and out, along with a spritz of car fragrance and a pedicure of Armor-All or a like product on the tires.

Audri: Can I save more money by purchasing a piece of office equipment or by leasing it?

Terry: You usually save more by making an outright purchase. This is because you get charged more for the “privilege” of being on a lease program. Last summer, for instance, we purchased a credit card terminal for \$300. We could have leased the same unit for \$19 per month and no money down, which sounds really inexpensive. But do the math: when you calculate \$19 a month times the 36 month lease/purchase period, you end up paying \$684. Which is a lot more money!

Audri: That means if you leased, you’d pay *over double* in 3 years — certainly not a good deal... I know the same is true with credit card printers.

To get discounts, must I *only* shop at stores where I’ve already built a relationship?

Terry: Not at all. Being a frequent shopper and knowing who

“Here’s a tip: ”
vendors
often won’t
even tell you
that you can
buy the
machine
outright; you
have to ask.
So be sure to
do so!

to talk to as a sales ally always helps, of course, but you have to start somewhere on building those relationships. And you can build a quick rapport with merchants you've never met at stores where you've never shopped.

Just remember: don't be shy. Be yourself and let the merchant shine. Tell him what product or service you're in the market for, what price you're willing to pay, and let him help you. The more bargain shopping you do, the faster you'll get at it.

Audri: Let's change gears now for a moment, and talk about something most business owners don't know. Many people think you can't negotiate with banks or other financial institutions. Tell us: Why is shopping for financing so important? Why not just go to the bank where my business has an account?

Rob: Good questions. Shopping for financing is critical. You have to live with the terms of whatever loan you negotiate for a very long time. While you might use a computer or a car for two or three years, a business loan or one on your property is a really big-ticket item, one that you may carry for 5 to 20 years. So you want to be happy with it.

Naturally, you'll go to the bank where your business has an account first. But you should also shop around. Do your research. The bank where you already have an account may not be able to offer the best rates or terms. It depends on their portfolio and what types of loans they're looking for.

Also, even when the loan officer at your local branch wants to make a loan that's agreeable to you and him, sometimes the regional office won't approve it. So if you don't check with other banks, you may find yourself high and dry without a loan at all.

“ Unlike merchants and suppliers, bankers won't act like they enjoy the negotiating process (because they don't!), but they will do it.

Audri: What is the most significant thing to know about shopping for financing?

Rob: By far the most significant thing is that it's an equal partnership between you and the bank. As with shopping for vehicles, people tend to think the bank has the upper hand and that they have no choice but to take the terms — however reluctantly — that the bank dictates. Not. Banks need a strong portfolio of loans to keep interest-bearing funds making them money, so they need your loan and your business.

Like the car dealer, they hate to admit this. So it's up to you to negotiate. And you definitely *can* negotiate — and win.

Audri: What are the best negotiating tools when shopping for financing?

Terry: Use loan-to-value ratios (also called LTVs), interest and maturity dates, and origination points as bargaining chips. All these factors are negotiable, and the money you save on them can have effects years down the line. Say you negotiate a savings of as little as \$50 a month in interest on a 20-year loan; that's \$12,000 — which is a considerable sum.

Don't be afraid to make counteroffers and counter-counteroffers. There is no bottom line until you sign on it. Don't hesitate to use the bank's competition against it; it's OK to shop around and then play one lending institution against another.

Keep in mind, too, that you don't have to take any loan terms. Just as with any other form of bargaining, if you don't like the terms you can walk away. If the terms are too stiff and don't pencil with your financials, find another form of financing (from private investors to grants to funding your business deal by refinancing your home). Get creative, but don't give in.

“*Negotiate with the bank the same way you do with any other vendor.*”

Also, don't be afraid to refinance your business or property loan when interest rates drop; you can always shop for bargains, even when you already have a loan.

Audri: If you had just 45 seconds to tell our readers the greatest tips to saving a lot of money — broken down into their simplest form — what would you tell them?

Terry: Build those relationships. Ask for the discounts. Ask lots of questions. Do your research. Don't back down. If the deal doesn't fit your budget, don't buy. Be willing to walk away.

Audri: Is there anything else you'd like our readers to know?

Rob: One final bargain hunting tip: **build your own finders network.** We call ours the Adams Underground, and the way it works is that we pay a finders fee to anybody who alerts us to a property that's about to — but hasn't yet — come on the market. In this way, we get in on the ground floor of deals that haven't even been advertised and get some great bargains. We've gotten tips from our appliance repairman, pest control specialist, and an appraiser, among others.

You can use this same technique no matter what your business is. For instance, if you're a landscape contractor, you might ask for — and get — tips on mature trees and shrubs that are being uprooted to make way for new landscaping or building; plantings you can pick up for a song and sell to your customers at a fair price, or even at a discount!

Audri: Let's end with two summary questions. First, if you could have our readers ask one question of themselves, and the answer would be a self-revelation, what would that question be?

Terry: Do you deserve to save money? Do you deserve extra dollars you can use to spread the wealth around your

“ *Shopping* ”
for bargains is a learned — and constantly learning — process. To some people, it doesn't feel natural, but once you try it a few times and see your success, it not only feels natural but good!

community and safeguard (as well as please) your family instead of giving it away by spending more than necessary?

Audri: That's a great question. Finally — what one thing would you like everyone to remember from this interview that will most profoundly affect his or her success?

Rob: Learning to save money and learning smart purchasing habits are two of the most important steps to building a successful business. Every business millionaire and billionaire you can name got where he is today not only through innovation and sweat, but also through sound business practices, which includes savvy negotiating and saving as well as spending wisely. There's absolutely no reason for you not to do the same.

Audri: This has been great. When our readers start using the techniques and secrets you've shared, they'll start saving thousands of dollars — which is especially important during tough times. Thanks so much, Terry and Rob!

“ *Every dollar you save is a dollar in the bank — a dollar that you'd have to spend extra time and effort to earn.* ”

Special Resources for You

About Rob and Terry Adams

Rob and Terry Adams know entrepreneuring inside and out. They are the managing partner of Emerald Bay Properties, a Panama City Beach, Florida, real estate development and property management company and partners in the publishing firm of Avebury Books. Between them, they have owned and managed five previous successful small businesses as well as written 17 books, with a focus on smart and savvy small business success. And be sure to visit their Web site at: <http://www.aveburybooks.com> Here are three of their latest books:

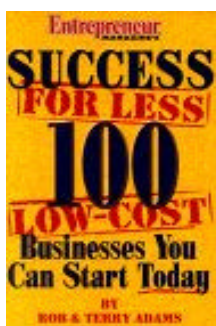


The Bargain Hunters Handbook: How to Buy Just About Anything for Next to Nothing

By Rob Adams, Terry Adams

This soon to be released new edition starts you out with the secrets of the Bargain Seeker and then goes into full detail on how to shop for cars, homes and more.

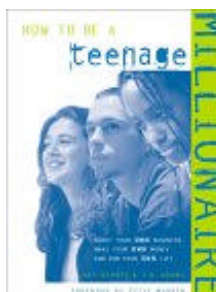
<http://www.amazon.com/exec/obidos/ASIN/1578661129/wzcom>



Success For Less 100 Low Cost Businesses You Can Start Today

By Rob Adams, Terry Adams
If you dream of starting your own business... but are discouraged by a lack of start-up money, this easy-to-use guide is for you. Packed with the latest, up-to-date expert information on current small-business trends and opportunities, Success For Less shatters the myth that you need a big bankroll to be your own boss. It reveals 100 low-cost, in-demand businesses you can start with little or no money down.

<http://www.amazon.com/exec/obidos/ASIN/1891984063/wzcom>



How To Be A Teenage Millionaire: Start Your Own Business, Make Your Own Money and Run Your Own Life

By Art Beroff, T. R. Adams, Rob Adams

This fact-filled self-starter's guide shows 13- to 17-year-olds how they can turn their hobbies, skills and interests into profit-making ventures.

<http://www.amazon.com/exec/obidos/ASIN/1891984179/wzcom>

Look for their newest title, *How To Be The Millionaire On Your Block: Your Guide To Financial Independence As An Entrepreneur*.

<http://www.amazon.com/exec/obidos/ASIN/0971459800/wzcom>

Other Good Resources for Bargain Shoppers

Wholesale by Mail & Online 2002: The Consumer's Bible to Bargain Shopping

By Gail Bradney, Elizabeth Cline (Editor), Brian Shapiro

Contains the most current information on ordering products and services online, by phone, and by mail at savings of up to 80 percent off the retail price.

<http://www.amazon.com/exec/obidos/ASIN/0965175030/wzcom>

Other Books About Working at Home

Making Money With Your Computer at Home: The Inside Information You Need to Know to Select and Operate a Full-Time, Part-Time, or Add-On Business

By Paul Edwards, Sarah Edwards

Focusing on the publishing, health, finance, music, and design industries, self-employment gurus Paul and Sarah Edwards describe 100 viable computer-oriented home-based enterprises in part 1 and include resources for further information. In part 2, they explain how to use computers to manage finances, fulfill administrative duties, complete marketing chores, and perform other tasks.

<http://www.amazon.com/exec/obidos/ASIN/0874778980/wzcom>

Complete Guide to Home Business

By Robert Spiegel

Robert Spiegel takes readers by the hand and leads them through every stage of business from initial idea to maturity to selling. If you're starting or running a home business, there's one thing you need: practical information at your fingertips! This book is a lifesaver — an all-in-one, quick-answer guide to all the issues, big and small, that "homepreneurs" deal with every day.

<http://www.amazon.com/exec/obidos/ASIN/0814470432/wzcom>

Other Good Resources for Entrepreneurs

Make Your Site Sell

By Ken Evoy

Great, inexpensive book for learning how to use the Internet to make money. New and expanded.

<http://wz.sitesell.com>

Make Your Knowledge Sell

By Monique Harris

This wonderful book is a proven system that shows you how to write a book, create and publish it, and market and sell it.

<http://wz.sitesell.com/myks>

The Insider Secrets to Marketing Your Business on the Internet

By Corey Rudl

Excellent Internet marketing course — new and expanded.

<http://www.marketingtips.com/t.cgi/35634>

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Offers services designed to hasten and assist the employment of members: bi-weekly Update Reports of the latest jobs, lifetime access to Job Bank as well as an informative newsletter.

<http://hop.clickbank.net/?wzcom/homejob>