

MONEY HUNT

27 New Rules For Creating And Growing a Breakaway Business

MILES SPENCER and CLIFF ENNICO

SUMMARIES.COM is a concentrated business information service. Every week, subscribers are e-mailed a concise summary of a different business book. Each summary is about 8 pages long and contains the stripped-down essential ideas from the entire book in a time-saving format. By investing less than one hour per week in these summaries, subscribers gain a working knowledge of the top business titles. Subscriptions are available on a monthly or yearly basis. Further information is available at <http://www.summaries.com>.

MAIN IDEA

It's never been a better time to start and own your own business -- as long as you go into it with your eyes open instead of believing all the sugar coated half-truths many business books portray.

In the real world, starting and growing a successful business is a challenge. Invariably, things will go wrong. If survival is an imperative rather than something desirable, the smart approach is to emulate what has worked for others. The 27 Rules given below are designed to encapsulate business as it really is in the trenches.

Smart people do well in business. Even smarter people, however, accelerate their own success by learning from the mistakes of others -- by emulating what they did right and avoiding what they did wrong. Again, the 27 Rules are designed to aid this type of analysis.

In short, you stand a better chance of joining the ranks of successful business builders if you use the right road map rather than a road map that sets out where things would be in an ideal world. Collectively, the 27 Rules are just such a road map. They will keep you on the right track, show you the side roads you should avoid, and point out the shortcuts many people never knew existed until they have traveled down that road a few times themselves.

Don't be discouraged from starting your own business -- just do it right.

Section 1 -- Do You Have What It Takes? Page 2

Rule #1-- To survive starting your own business, you need a healthy dose of paranoia.

Rule #2 -- Starting and growing a business is the loneliest job in the world -- there's no one else to blame.

Rule #3 -- Business builders are optimists. They take an original approach and find opportunity in disaster.

Rule #4 -- When things get tight -- as they always do -- business builders get ruthless.

Section 2 -- The Key -- The Right Idea at the Right Time Page 3

Rule #5 -- Don't ignore sound and lucrative business opportunities in unglamorous fields.

Rule #6 -- Don't waste time developing an idea you'll never be in a position to exploit for your own benefit.

Rule #7 -- As a rule of thumb, most overnight successes take about twenty years.

Section 3 -- Markets and Competition Page 4

Rule #8 -- Never try to make the marketplace fit your business plan.

Rule #9 -- In a gold rush, the guy who sells shovels usually ends up doing best of all.

Rule #10 -- Every business begins with a great idea, but not every idea grows into a successful business.

Section 4 -- People Page 5

Rule #11 -- The difference between success & failure is often the ability to delegate nonessential activities.

Rule #12 -- Never confuse partnership with friendship.

Rule #13 -- Never go into business with someone you wouldn't like to be in a tight spot with.

Rule #14 -- Never look in the mirror for a partner.

Rule #15 -- Big company experience does not necessarily translate into success as a business builder.

Rule #16 -- Learn to be paranoid about the hidden agendas your partners really have.

Section 5 -- Show Me The Money! Page 6

Rule #17 -- If you can't sell your own product or service passionately, don't start your own business.

Rule #18 -- Don't turn down an investor just because he doesn't look like you expected.

Rule #19 -- When there's only one bidder, you're going to have a very short auction.

Rule #20 -- When a potential investor says no, ask them why. You will always learn a more each time.

Section 6 -- The Legal Side of Business Page 7

Rule #21 -- When something goes to court, there are always two losers -- even if you win the case.

Rule #22 -- Most of the time, written agreements will have nothing to do with the way people actually act.

Rule #23 -- Always read whatever you sign.

Rule #24 -- Sooner or later, having kept good corporate records may just save your financial life.

Section 7 -- Getting Out -- And Moving On Page 8

Rule #25 -- Never lose your objectivity. At the end of the day, it's just a business you're building.

Rule #26 -- Make sure the rewards of building your own business are commensurate with the risks.

Rule #27 -- Never pass up an opportunity simply because you don't feel ready. You've got to make hay while the sun shines -- because nobody knows what tomorrow will bring.

