

Speaker 1: Okay, guys, let's talk about why you're all here. I mean, there's only two ways to make more money in your school. I don't know if you've figured that out yet. You either get more students signed up, or you upgrade more. You've got to do those two things.

Most people think about marketing as getting new students, but you have to realize, getting that new student is only about 20%, or less, of what amount you want that person to spend. That's just their orientation. That's just their introduction to your program. All that's going to cover is your advertising expenses, at best.

What you really want is to get them to sign up for your black belt, or your leadership, or your master club, or black belt club, or whatever name you call it. We call it leadership because that's what we're teaching them. It's black belt leadership. They learn how to be leaders. They learn public speaking. We have eight-year olds that would stand up here in front, and you could all hear them in the back. Eight-year olds. Parents are floored. But that's part of our leadership training.

That's part of our marketing, because if see at the bottom, these last two, internal versus external marketing. Everything that you do has to take place, either, or. If you're not doing the internal marketing, you're missing the biggest chunk of your gross of your school. Your renewals should account, your upgrades should account, for 60 to 80% of your gross. If your upgrades are not in that 60 to 80% range, then you have a serious problem at your school that you need to solve. That means you're not teaching good martial arts to keep the students long enough to make them good.

I see a lot of great instructors. I have a lot of my friends that are ... were national or world champions, or top competitors. You can count on one hand how many of them are good school owners, because most martial artists are one dimensional. They think, martial arts, and if you're good, they will come. But they don't care whether you're a world champion. That has never got me a student. Maybe that draw them to, "Oh, world champion something. Okay, big deal." But when they come in, they've got to be impressed. You've got to get them excited. Most of the intros I see schools doing, because I work with a lot of schools, boring.

That's internal ... That's your internal marketing. Yes, we can advertise and get them in there, but we were talking ... Master Oliver was talking about drinking from the fire hose. You know, when you start doing this stuff, you know what happens? You start drinking from a fire hose, and you better learn how to drink out of it quickly, or all of that work that you've done on this external marketing, those people come right in the front door, and they go right out the back door.

I have our schools that are like ... they're frustrated. They go, "Wow, I finally solved it. I had 200 intros this month." Or let's back it up, "I had 200 appointments." How many in here have 200 appointments a month, for your

intro program? Out of that 200, it's normal to get about 100 to come in. What happens, from that first intro to that enrollment process, is the key. Keep good stats on those numbers, right, because we can solve the problem quickly.

You know, the problem, when you lose a student, it's not one student. That's a small number. One number. But think of it in terms ... We think of it in terms of \$30,000. Each student in our school is worth \$30,000 if we do our job. At \$30,000 a student, how many new ones do we have to have? Not a whole lot. I've seen schools that are only getting 10 or 15 quality students, committed students. Just like some of you said, "We did a big ad, we got 400, you know, we got these guys, they were looking for a deal because they got a deal once. They want another deal." So you give them a big discount and you get them in on a basic program. So what? How are you then going to get them to spend \$25,000 for a black belt leadership program?

Those are the ones we're looking for. Those are the ones you need in your school. Those quality leads. You've got to go through a few people to get them. But what happens when they come in that front door, when you start tracking your stats, and we do all this, and we finally have solved the biggest problem ... and I'll tell everybody, that's the biggest problem, is for every martial arts school ... is getting enough people in the front door to be successful.

How many, in here ... If you had 20 enrollments every month, committed students, you can get a 75,000 to \$100,000 a month gross. That's all you need. Some months, you'll have 40. Some months, you'll have 10. Some months, you'll have 30. What you've got to stay consistent with is the process of when they come in, it's not over.

What happens is, we're the plate spinners. That's our job. We go out there and we try to get these people excited enough to come in and try one of our classes. The second thing that happens is, they do one of our classes. How excited are they? Do they come back for the second class? I have some of our schools that we work with, and they say, "I had 100 people come in on my intro, but I only enrolled 10." You know what I tell them? How would you solve that? You only got two solutions. You have two solutions. Get 200, and then you'll have 20. Or you've got to focus on, where did you lose those other 90? How do you know? Did I lose them after the first lesson? Did I lose them on the enrollment conference? What was the problem, and what was ... ?

I have to know every situation. We have to have not just stats, but when we pull up somebody who doesn't show up for a second class, we have to know exactly why. How do we find that out? We have to call them. We have to contact them. How many of you contact your students to reconfirm the appointments by email? How many do email? How many do text message? How many do phone calls? How many do all three? Now, this is just to reconfirm the appointment.

We make sure, if we call them and we get them, then we're not going to text them, and then we're not going to email them to reconfirm it, because we had a

voice ... we had like a face-to-face, almost, on the phone. That's the kind of commitment you need. But how many times do you get them to answer the phone when you call? And how many times do we have to call to get them to answer? When you call them, don't leave a message, and then call again 10 minutes later, and call again, and keep leaving messages. It sounds too desperate. But do call the morning of. Late morning, not early morning. Do call early afternoon if you didn't reach them. Don't leave a message the second time. And then do call them in the late afternoon. You do try to make that personal contact. We always get contact information. Email ... Send them an email. A lot of people go by emails these days. So reconfirming those.

Now, how do we know if we need to reconfirm ... work on reconfirming? Or, more, do we have to work on the ones that come in, that go to the second class? It's all in our numbers. If I had ... I have to know how many appointments I had. Out of that, I need to know how many of those appointments showed up for that first class. Then how many I showed up for the second, and then how many actually enrolled.

Why is that so important? Because, guys, if you're going to ... Let me tell you, this is not easy. If it was easy every school would have 100 intros every month. But, you know what? It's a hell of a lot easier than earning your black belt and becoming a great instructor. You can find people to help you do this, easily. And they don't have to be good instructors to do it. How hard is it to find a great instructor in your school? Not easy. Keep those gems. But guess what? Those great instructors, they don't like to do this? They don't want to go to a fair. They don't want to go to the movie theaters.

But, guess what? It's part of our business. We're in the promotion business. We have to buckle down, and they have to chip in, and they have to carry their load. They have to realize that their responsibility as a good instructor is help market the school. They've got to buy in to that. If they don't, then you sure as heck better have somebody that's out there doing that for you. I got tired of beating my instructors in the head. I went out and hired one. All she does is market. How focused is she? Guess what? She has goals like my instructors have goals, but I have to pay her for that. Well, mark it up as advertising.

But let me tell you, when you get one person focused ... And I was lucky enough to find a mom who was a black belt, who had two kids that were black belts, that are great students. One of them's a great assistant instructor, and the other one is 13-years old, who could come up here and teach what I'm teaching right now, at 13. Not only that, she's a great competitor. She just won grand champion and the big champion belt, and won \$100 at one of the regional tournaments up in University of Maryland.

These are people that are in our leadership program. We have 20 of those in our school, because we have a whole pool of staff that we're constantly training. If you don't have a leadership program in place, if you're not planting all these seeds ... and, yeah, she's 13 now. 15, she'll be in on the paid staff. Her brother's

15 now. He's learning how to be an instructor. He's in an assistant role. He's in a paid position. Have these avenues set up. These are the people, those 20 people that I'm talking about. Guess who helps us when we go to the movie theater?

Last summer, did everybody have the biggest summer of the last five years? We enrolled 120 in two months, two and a half months, during that little summer time. 120 new students. We were going to the theater ... and you guys got to see the videos of it, and I think we have a lag time in the showing of the movie in Australia ... but one of the ways that we got everybody doing it, because I didn't want to blow this, because it'd been a long time since we had the opportunity with The Karate Kid. Not since one of the original Karate Kids, not since some of the Ninja Turtle movies, when we used to have swarms of people coming in, were we able to capitalize.

What I did is I went to the movie theater the week before The Karate Kid, because I told the team, "We're going to get in there. I want everybody to learn how to do what they need to do." We had it, dress rehearsal. We had our booth set up. We had people to meet and greet them at the door by the ticket counter, handing them out. We little guys in uniforms, with an adult, would direct them to our booth. We had the booth decorated up. We had a TV going. We had a spin wheel there to win prizes. We had everybody in the movie theater, not the week before, but the week of, in our uniforms, including managers, concessions people. We had banners up all over the theater. Two banners when you come in the front door, which we still have there.

Female: Really?

Speaker 1: They let us keep it. We made such a good rapport with them. I don't know if you've been over to the Regal Theaters. You see them when you go right in by the ticket ... But what I'm saying is, it's not how many of these you do, it's how good you do some of these. How many of these do you have to do every month? As many as it takes to get the number you want. Fred, what's your number each month? What's your goal? How many enrollments do you want to have?

Fred: We would get about 20 [crosstalk 00:16:23].

Speaker 1: 20 is your goal. At your school, to get 20 enrollments, how many appointments do you need?

Fred: I'm going to say about 50.

Speaker 1: To get 50 appointments, how many leads do you have to have?

Fred: Depends on the activity so, the numbers will be off a little bit here, but normally if we're going off the [inaudible 00:16:40] we need about 100 leads.

Speaker 1:

He's pretty much right on with what I've seen on most of the schools. But you notice how he's right on top of it? How many of you actually know those numbers, or do you just kind of make them up in your head? Because we kept every stat. To get those 120 leads ... I mean, those 120 enrollments, we had 2,000 leads. Out of the 2,000 leads, 1,200 appointments, and out of the 1,200 appointments, we had 600 of those come in and take an intro.

You talk about drinking out of a fire hose. You learn how to teach intros rather quickly. Remember. You all had that problem, too, right? But, you know what? They never asked that before, until what? You had the problem. Then, guess what happens? Preparation meets opportunity, or unpreparation meets opportunity. You start ... are like this, and they're running all over, and then they're right out the door, and you set it right, right? You learned from that, and it was a costly mistake. Prevention is always better than the cure. It's easier to prevent than to cure the problem, because it's going to cost you in big bucks. She learned. But guess what, because you guys were here, you learned from her mistake.

That's the good thing about us sharing knowledge with each other. I've made enough mistakes for all of you. Master Oliver has made not as many as me, because I've been around longer. Between the two of us, we made enough for you guys, for the next year. Learn from those.

Why has martial arts schools developed higher grosses, more enrollments? Because we started focusing on getting the message out to the schools that I don't care how great a martial artist you are, because, usually, the greater you are, the worse your business is. Don't be too great. You know, keep a low profile there, because most of those guys think, because they were this or that, that ... you know, build it and they will come. Doesn't happen.

But, you know what? We're no different than any other profession. There's some great doctors who go into private practice ... bankrupt. Happens all the time. Great lawyers ... bankrupt. Because where is their expertise? The greater they are, guess what? They spent so much time getting great in medicine that they didn't learn any business. They were so great lawyer, such a great lawyer, that they never learned how to do the business of being a lawyer. Because some of the best law firms are started by the ones who aren't necessarily the best lawyers, but they're the best businessmen. So what do they do?

Male:

They get the best lawyers.

Speaker 1:

They get the best lawyers in their group. They become very powerful. Anything sound familiar here?

We got to start thinking differently. We have to think in terms of the yin and the yang. Where did it all start? Guys, we're martial artists. We should know that better than anybody, that everything has to be in balance. When your martial

arts is here, and your business is there, tell me where that balance is? It's going to fall. What you have to do is work as hard on your business as you have on your martial arts. Then, you're going to be even more successful.

Now, because we are martial artists first, businessmen second, that's always the way it's been preached. That's why we constantly ... I'm as excited and enthusiastic about martial arts after 50 years, as I was 50 years ago. Because I'm excited about it, I did it when I was making nothing. I don't do it for the money. I do it because I love it, but I love it even more when I'm making more money from it.

Male: I agree.

Speaker 1: I like to go ride my motorcycle, and take time off, because I have my staff in place, because I trained them to do the things that I want done, the way I want it done. I can make a phone call, in the day time, and I do, and make sure that the little checklist of things are getting done. You don't have to be chained to your school unless you want to. Believe me, I wanted to for many years. I did. I was at the school 12 hours a day. When I ran the June re-organization, I pretty much, 18 hours a day, was doing karate, because I was competing in kickboxing, and the training there was a little more intensive. I was training four to six hours a day, just in that, besides running all his schools for him, and training all of the instructors, and all the managers, and Master Oliver at the same time.

But have you ever had any of your staff say, "Oh, I'm burnt out"? You know what that means? They're not motivated. Guess what we have to do? Gosh, we have the business knowledge. We have the martial arts knowledge. Wouldn't that make it for a great school? Doesn't that sound like a perfect marriage? That's a perfect marriage in only one way. If that marriage creates a positive, enthusiastic attitude. If you don't have that, if you cannot get up in the morning and enjoy what you're doing, and looking forward to it like, "I got to go put out some bandit signs. I've got to go set up some rack cards." Well, guess what? I'm excited about that, because I pick up the phone, "Did you get those rack cards out yet? How many bandit signs did you put out?"

You either do it yourself, which I've done ... because you have to train your staff. I've cleaned toilets in the school. I still will do that. I change the toilet paper rolls when I'm at the school, if they need changing. You've got to be prepared to do everything in your school, if you want to be successful. If your staff thinks that you sit around, and you're just pulling all the strings, and you ain't doing it, then they ain't doing it. You've got to set the example. You've got to make sure.

You cannot be held hostage to your staff, because if you have a staff member that is better than you at something, then you better get to learning. Because, guess what? They're going to open up down the street, and they do it. Because once they figure out they know more than you, they're gone. They stay with you because they're learning. You've got to teach them martial arts, so they look up

to you as their instructor. You've got to teach them business, how to run a school.

I've had a lot of them go open their own schools. And guess what? I have no problem with that, unless, what? They're trying to take all my students with them and open right down the street. Then, we're going to have a little problem. Make sure that you're not training your next competitor. Make sure you have a rapport, you have an avenue for them to expand, either with you ... with you, as in opening another one of your schools ... giving them an incentive, or giving them the opportunity to open their own school. Help them. If you do that, you will have staff with you for as long as you want them with you, and you will expand into a bigger organization. If that's what you want.

Some people don't want that. Some people want to have their one school, successful, make enough money to enjoy life, do martial arts they enjoy. If that's your goal, then do that. You see, that's what's wonderful about this country. We have the opportunity to set our own goals. That's what you have to have, a vision of, what do you see yourself, in 10 years? Where are you in 10 years? Where are you in five years? And what steps are you doing to get there?

You know, becoming a world champion in anything is great for 15 minutes of glory. As long as you're on top, things are going pretty good. When you're off the top, then, all of a sudden, it's not so good, as far as being a competitor. But the most important thing is how you got there. If your school closes tomorrow, but you're the one that built it up to success, but a hurricane comes in, right. New Zealand. Blows it away. You can start over, because you have it here. If you know how to become successful in one thing, I don't care what it is, you can apply that same success formula to something else.

That's all I did with the business side. I started running the school business like I did when I trained to become world champion. I had goals set that were ... I was progressing up through those levels. I then turned that into our martial arts business field. I still was able to do my martial arts training, and train other students, other black belts, who loved martial arts.

I'm telling you all this because giving you all of these, what to dos, without the energy, the enthusiasm, without getting your butt out of the school, these things won't happen. You have an opportunity in your school. You have labor intensive, or you have something that's going to cost you more money. Usually, labor intensive doesn't cost much, or might be free. Costs more, not much effort. You follow me? Toby has some great marketing direct mail pieces. Get it all stamped, done for you. You pay a little bit more when you do it. Or you do it yourself, and stamp it yourself, and do the envelopes yourself, and print them out yourself. Get your own cards printed up. He has them done so cheap now that, time-wise, it's a good investment. The marketing stuff he has is a great investment.

You guys that are here have separated yourself from the other people in the martial arts industry because you're here because you have a goal. Your goal right now, from coming to this, might be learning how to get more students to come into your school. But I tell you what you have to do, is to take that and learn how to take those students coming into your school, to stay in your school long enough to experience the real benefits of the martial arts, which is black belt training.

How many of you in here, by the time you got to first degree, you realized that your martial arts training was just starting, not ending? Well, that means you had a great instructor, because your instructor instilled in you that that was the beginning of your training, not the end of your training. That's what you have to instill into your students. That's how we're able to sign them up for a second degree program.

We can sign them up for a six year program, they're willing to invest \$25,000, as Carol saw. They didn't blink an eye when they came in to do the finances, and we'd already taken them through about six steps of our renewal process, and we told them what it was. We gave them a choice on some payment plans. The one they elected was \$8,000 down, and then they were going to pay the balance over the next three years. It was a six year program.

But that doesn't happen just because we present the payment plan like that. It happens because we took a personal interest in that family. It's not one student that you have to take a personal interest in, it's their family. You have to make sure that that person, that you get to know them. You have a short window to do that. They're signed up for a year program, we try to get them on black belt training and committed to our leadership within 60 to 90 days. The ones who don't get it in that 60 to 90 days, we will follow up and close in the next 30 to 60 days. If they don't close in the first six months, 90% of the ones you do not upgrade in the first six months will not upgrade. 90%. So you have to get them in the beginning.

But you have to be serious about what you're doing. The reason I'm saying that is because once you start doing this, and people start coming in, your school's not going to make that much more money unless you're upgrading them.

How much did I say the gross ... You want to know if you're doing a good job in your school? Take your total gross and divide it into enrollment percentage, cash, and upgrade percentage. There might be another little part in there from miscellaneous stuff. Everything that comes from somebody who's in a basic program, how much cash is that? Monthlies and down payments and everything that you got, not just this month but year to date. Then, take how much monthly payments, down payments, and everything that came from upgrades.

If your renewal upgrade is not in the 60 to 80% of your gross, then you're leaving money on the table, because you're chasing those people away faster than you're upgrading them. You got to keep them in the program. Some best

instructors run them out, because they want to make them so good, so quick. How good do you need to make the student? Anybody? How good? How good do they need to be?

Speaker 2: Better than me.

Speaker 1: Better than you?

Speaker 2: Better than me.

Speaker 1: Well, we don't know how good you are, but we'll take that. How good do they have to be? Do you know how good they have to be? It's real easy. We have to make them as good as they want to be, but we have to inspire them ... not teach them ... inspire them to want to be better. That's your goal. A good instructor teaches, a great instructor inspires. They are so inspired.

I've been fortunate enough that I've had 50, or more, of my black belts who opened their own schools, because they were inspired not just by becoming a black belt, they were inspired so much that they wanted to make it their career. That's inspiring your staff. That's inspiring your students. When you can inspire them like that, you can upgrade them. They will pay, based on the value of what you're teaching them. If you're teaching kicks and punches only, and how to fight, and how to do forms, and how to do weapons, then you need to not be charging them that much.

But if you're going to give them a personal development program, a character development program, then you should be charging private school tuition, not public school, freebie, subsidized tuition. Understand the difference? Because the parents know. They know the difference between private school value and public school value, because a lot of them spend it, even when their tax dollars have already paid for the public school. That would be like us saying, "Look, Joe Blow has a free school down there, but I'm going to come to yours because I want my student, my son, to have something better." When you have that, you're going to capitalize on this.

Let's go through these one at a time, just to give a quick overview, because bandit signs ... How many are doing bandit signs? You know, people do those, they quit doing them.

Female: What are they?

Male: What are bandit signs?

Male: Those little real estate signs.

Speaker 1: You know, bandit signs ... Bandit sign is the little ... you know, like same thing as you see for political signs, and they stick them in the ground, you know, "free", "two weeks", and, "karate", and whatever you want on it.

Master Oliver: They're called bandit signs because they're illegal and they don't care.

Speaker 1: Now, we don't say bandit signs in front of our students, and we don't say, "Oh, did you see one of our bandit signs?" You know, we just say, "Did you see one of our signs?" when they come in, because we track those. Now, the thing about bandit signs, and about any of these things that we do, you know, every one of these has been a home run for somebody. You know why? Because they did it the right way. Who was it ... ? Yours? Whatever you did, you did it the right way. Somebody else will go do it, and it won't work. You know what they say? "Doesn't work here."

It's not ... We found it doesn't matter about the area you're in, anything, it depends on how you do it. How you ... Bandit signs, well, how much is it to that? Believe me, I found out a lot about them, because we started monitoring where we put them. We tracked how long they stayed in the ground. We tracked where people came in from, what area, when they came in. Were they by those signs, did they see one of our signs? Are we putting them by shopping centers? Are we putting them by schools? Are we putting them at high traffic intersections? Where do they get taken off?

Can we go up and talk to a business owner and ask him if we can put it out in front of his gas station? Yes. When you have one of your moms, who's 40 years old, who goes in and ask-

Speaker 3: I'm 38.

Speaker 1: It makes a difference. You go in ... I would not go in with my Harley stuff on and ask.

Female: Come on.

Speaker 1: Unless I was in front of the Harley dealership. Then I'd put that on. Anyway, think in terms of what we're talking about here. You might have tried these before and they didn't work. Remember, it's not that they didn't work. It's that you didn't work it correctly.

How about rack-

Master Oliver: Before we move past that point, you know, Toby was mentioning to me the other day, you know, some of the bizarre things that we have, like with the print on demand stuff, because people want to be able to print 200 rack cards. Now, think of that number.

Toby: Ad cards.

Master Oliver: Yeah, somebody was calling the other day, well, why can't I only get 200 of them? Well, what the hell are you going to do with 200?

Toby: Well, they did order 200. I saw the order going through and I [crosstalk 00:39:59] got to give us break.

Master Oliver: Yeah. I mean, I've never ordered anything in less than lots of like, 10,000, right. What happens is ... And fliers, we order 100,000 at a time, a lot of times. You ... sometimes it's ... you do some little effort real timidly, and it's kind of like you trained in Muay Thai for 10 minutes once a month for five years, and were concerned that you didn't get any results out of it. Well, you just got to have realistic expectation. It's takes a lot of volume of this stuff. How many bandit signs do you have out at any one time?

Speaker 1: 200.

Master Oliver: See, I mean, give you an idea. How many rack cards at any one time?

Speaker 1: We ... our goal is 200.

Master Oliver: Yeah.

Speaker 1: We have 150 out now.

Master Oliver: Yeah, and [inaudible 00:40:45] like 400. But, I mean-

Speaker 4: That's [crosstalk 00:40:50].

Master Oliver: ... so you don't go put like five little signs-

Speaker 1: Oh, no. That's cards. Oh, you meant the whole-

Master Oliver: The ... The holder.

Speaker 1: No, it's the rack, the holder with them in it.

Master Oliver: [crosstalk 00:41:01].

Speaker 1: Now, how you do these rack cards ... Now, lead boxes ... Man, anybody done lead boxes before? Holy mackerel. You go through a thousand of those to get one appointment.

Speaker 5: I just want to ask a quick question on bandit cards, is that good?

Speaker 1: Bandit signs?

Speaker 5: If I was going to do those ... bandit signs ... If I was going to do those I would think of putting my logo, my phone number, my web address, is there ... am I missing anything on that?

Speaker 1: Free something.

Speaker 5: Right, okay.

Speaker 1: Free lessons. Two weeks free. Call.

Speaker 5: Perfect.

Toby: Question yourself, about the first thing that you said.

Master Oliver: Yeah, forget your logo.

Toby: What the hell does your logo mean to your customer?

Speaker 5: Our logo is actually a kicker, so a picture says a thousand words, so they see the picture, they see karate.

Speaker 1: That's good. If your logo is your name, put your name on it, if you want to ... but make sure it's about that little bit in the corner.

Speaker 5: We got a guy kicking, so that's saying Karate right there [crosstalk 00:41:51].

Speaker 1: Yeah, you want an action thing. We put a little kicker guy on it. Then we're going to have a phone number, or we also have our ...

Master Oliver: Freekarate.com.

Speaker 1: We have freekarate.com. They go there, it'll route them to the right place, give them all the information, go to website, capture their information.

Master Oliver: Watching the big advertisers, stuff that's coming in on radio, they're mostly putting phone numbers, and then they're putting toll free record messages [crosstalk 00:42:16].

Speaker 5: Right, so [crosstalk 00:42:16].

Speaker 1: See. So, now, don't put your website, if it doesn't capture their information.

Speaker 5: No, my advertising website, right?

Master Oliver: Yeah.

Speaker 1: And Toby is a genius at that. Boy, don't ever opt in on anything he ever does, because he'll be ... You're married to him for life, because he will be hounding you every ... You'll be getting dripped on for the rest of your life.

But that's what you want to do. That's the purpose of doing those kind of things, because guess what happens with those? Just like when you did the lead boxes, what happens with the lead boxes? You sat there, and you call those, and we used to have one person just call them, and they would call them, and they would call them, and it was a lot of work for a little bit of ... you know. It kind of reminded me eating crabs.

Male: Lot of work in those.

Male: [crosstalk 00:43:04] much results.

Speaker 1: But some people like crabs. But with the lead boxes, what is the advantage of the lead box, Craig?

Craig: That's where you get their information.

Speaker 1: That's the key. If they fill it out right, now we can drip on them. Now we can really take advantage of them. We don't have to call 100 of them. We'll go through them and call them couple times, but we're the going to kill ourself. You know, I'm not going to call them 20 times, but we'll call them a couple of times, leave a message once.

Master Oliver: We are focusing on the rack cards rather than the lead boxes, because you obviously get [inaudible 00:43:41]. It takes no more effort, but it takes less effort to put a rack card in than a lead box, and now they're calling you, so you've got a good lead to call you. You don't get nearly as many leads [crosstalk 00:43:48].

Speaker 1: Make sure, on your rack cards, Toby's got some good print on demand stuff. I mean, he can really hook you up with cheap price. I mean, the full color ... and you saw some of this stuff on the table back there, that I think that you all had done, you all had printed on.

Master Oliver: It does seem necessary to change it every couple of months or so, at the worst [crosstalk 00:44:11].

Speaker 1: We have four ... We have four different sets of rack cards. We change them every three months. Or two ... No, actually, every two months, we flip them. Yeah.

Mark: How far out from your school can you place them? How many miles?

Speaker 1: It depends on your demographics. In our area, we'll hit about two to three miles. But some demographics, they're denser, some are more open.

Master Oliver: I tell you what I can do, though, is with rack cards, and with things like the children's hospital, and the [inaudible 00:44:41], go a much broader radius than you would pay hard advertising dollars to do, because you will get results, and it's practically free, right. If we're doing things in the elementary schools, we can go out maybe seven, ten miles, knowing we're going to get a trickle of results, but what the heck, it's a penny a piece for the paper. Same thing with the rack cards. Two bucks [inaudible 00:45:01] the worst case.

Speaker 1: Key on the rack cards ... Key on the rack cards, don't just set one in there. Try to talk to the manager. Try to make a personal ... Introduce yourself. "We're ... Our business is down the street. Do you have anything of your business? A lot of the reason I came in is because we had some of our students that said that they frequent your business quite a bit. If you have something you'd like us to put at our school, we'd be glad to put it for you. If you have a brochure, or if you have a display."

Toby: That was actually, I think, the best answer to Mark's question. By the way, if you didn't hear it, Mark's question was, how far of a radius do you go out? I think the only answer to that question, ever, is where do your customers go?

Master Oliver: Yeah.

Toby: Where do your best customers go hang out, shop, go to the movies? That's where you go. [crosstalk 00:45:49].

Master Oliver: [crosstalk 00:45:50].

Speaker 1: When you run your demographics of your current students, how far do your students come from? That's what you go by, too.

Master Oliver: And you have unique situations. You have highway and river, they won't come half a mile this direction, but they'll come 20 miles this way. Around here, our rule of thumb is, if it's a school on this side of town we can go 25 miles up in the mountains, because, like, where I live, and everybody beyond me, they have to come down here. So they come down to that Colorado Mills mall, but they won't go the opposite direction, right. I used to live a mile down the highway from where I am now. Never went into Evergreen. I would go 15 miles that way, not a mile the other direction.

Speaker 1: Can you hear me?

Male: [inaudible 00:46:28].

Master Oliver: But let me ask you-

Speaker 1: Did you turn it on? Are you turned on?

Master Oliver: No. Let me ask you two questions.

Speaker 1: Yeah.

Master Oliver: Wrap this in 15 minutes, or 45 after lunch?

Speaker 3: 15.

Speaker 1: I think this is meat. I don't think this is dessert. I'd like to talk a little bit about ... Because, you know what? You guys ... and I would venture to say that there's not anybody in here who hasn't ... they're going to see something on the list and go, "Oh, I never heard of that."

Master Oliver: Yeah.

Speaker 1: Except maybe you with the bandit signs, right. But most people are going to go, "Yeah, I did that, tried that ... " See, it's not that I tried that, I did that, it's obviously I did it wrong.

Master Oliver: You know, the more urban version of bandit signs is doing the 11 by 17 or a little bit bigger posters. You see everywhere they have posters, like concerts and shows and clubs, you could just put posters up there. That's the iteration there ... I did that all around town [crosstalk 00:47:20].

Speaker 1: What I want to do ... and I wanted to ... that's why Master Oliver was stealing a little of my thunder, because I wanted to, as we go down and hit each one of these, I wanted anybody who had a home run on one of these to tell us what they did, because that's what makes the difference.

Master Oliver: Yeah, it wasn't me. It was Paul, stole all of your thunder.

Speaker 1: Yeah. But on these, I'm going to give you my little pointers, too.

Master Oliver: Let's do this, then. Let's break for lunch on time-

Speaker 1: Okay.

Master Oliver: ... and then let's go back to the topic when we get back from lunch.