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Optimize Your Organizational Structure to Eliminate Waste, Increase Profit

Let's face it. People make your business "go." No matter how automated or established it may be, it's your people — or call it your talent, human capital or human resources — who pull the strings. They give it life, adaptability, innovation, customer service and personality.

Labor (talent, human capital or human resources) is very expensive. So to manage a profitable business, the human resources must be continually optimized. You need to keep your human capital fully productive and engaged. Stretch a human resource too thin and you lose effectiveness. Important jobs go undone or underdone. Underuse or under-challenge a human resource and you waste labor dollars.

For these reasons, organizational analysis should be one of the first tasks of your cost reduction and/or profit improvement program.

The objective of organizational analysis is to determine how company duties can be streamlined and/or reorganized in such as way as to cut cost and enhance productivity. Some of your people may have too much on their plates. Others may have too little. Certain tasks may be better performed by one person in your organization than another. You should be very clear as to who accounts for the greatest amounts of revenues and expenditures. Revenues must be continually enhanced, costs must be continually purged, and people with the greatest impact on the organization's performance should report directly to the owner.

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From the Editor

What can I say? One year ago I wrote about "Managing Effectively in a Recession" and here we are, it seems, still in the middle of it. So this issue of *The Business Owner* hits even harder: how to reduce costs, cut spending, deal with adversity, change your viewpoints, find the silver lining, take advantage of shrinking asset values and, yes, understand and face bankruptcy.

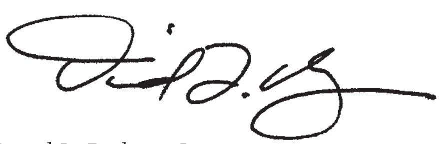
David L. Perkins, Jr.

Have I become a spreader of doom and gloom? I don't think so. Clearly, it does not appear that this recession is going to be over soon. I guess I'm coming to grips with that, but I still think it's time to buy, not sell, public equity investments. I also know that it's time to make smart changes to our businesses. It's time to find ways to take advantage of the disruption. It's time to find ways to become more competitive. And yes, it's time to face reality.

The good times allow us to ignore reality and our weaknesses. After all, during the good times, everything's good. Now all of our weaknesses are exposed, and we have to deal with them.

As always, we are here for you. Please call if we can help.

Regards,



David L. Perkins, Jr.
Publisher and Editor

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Optimize Your Organizational Structure to Eliminate Waste, Increase Profit,
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Three Rules for Optimum Organizational Structure

In designing your organizational structure, adhere to these three key rules:

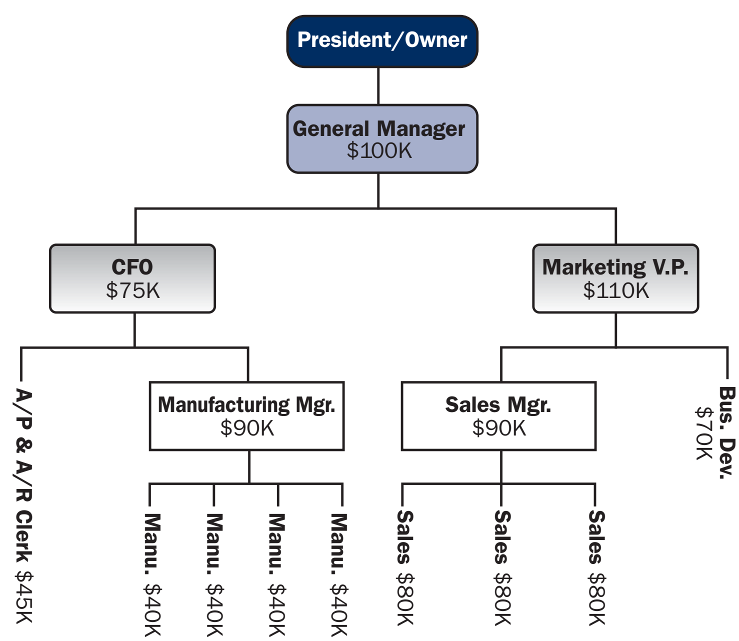
1. **Span of Control:** A manager should supervise close to the optimum number of employees. In administration, the span of control for an executive should be from five to nine persons, with seven being optimal. Fewer than seven and the executive may be underused. More than seven or eight and effectiveness may be compromised. Resources may be spread too thin and inadvertently, hinder profitable performance. In the plant, a foreman can maintain control of up to 15 persons, each handling complicated operations; 50 or more if each handles simple operations.
2. **Proper Reporting Level:** Employees whose departments have the greatest impact on profit should report directly to the owner*. Typically, it's the heads of marketing, sales, manufacturing, purchasing and finance/accounting. For some companies, the head of engineering could be included. For others, quality control or risk management.

* We assume the owner is the top manager of the business. If this is not the case, substitute CEO, president, GM, etc. for "owner."

3. **Management Insulation:** The number of levels between the company head and the lowest level of supervision should be kept to a minimum. This is not just because it will reduce cost (fewer managers needed) but because layers erode the quality of information that flows from the front line to the top manager. The top manager depends on the flow of information to make wise decisions. In addition, it becomes more difficult for the owner to assess individual performance when multiple layers separate him or her from "the doers."

Organizational analysis is simple when you keep these three principles in mind. But before you do it on your own organization, let's apply the skills to a little company called PDQ.

Case Study: Take a look at the following organizational chart of a small manufacturing company called PDQ.



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***Optimize Your Organizational Structure to Eliminate Waste, Increase Profit*, continued from page 3**

Is it optimized for labor productivity and efficiency?

Consider the three rules described above. Does it conform, or can you develop a structure that more closely adheres to the three rules?

I think you can do better. So, just as you would restructure your own company's organizational chart, take a pen and paper and lay out a new org chart for PDQ.

Keep in mind, there's not a single right answer. We're just looking for a structure that appears to conform to what we know about efficient and effective organizational structures. Of course, organizational charts should be developed in light of the strengths, weaknesses, experience and capabilities of the various players in the organization, and we don't have all of this "color" on PDQ, so just make some assumptions and come up with a structure that appears to be an improvement. Take a minute to do so.

Have you done it? Resist the temptation to just read on. Reorganize PDQ's org chart and then return to read the rest of this article.

Stumped? Here are some observations that might help you get started.

Span of Control: It appears from the organizational chart that the president/owner avoids management responsibilities a bit. I guess she can have it any way she wishes, but it would seem that her talents are underused. Only one direct report!? In addition, several managers have just one or two direct reports. It appears that the managers are underused.

Proper Report Level: If it's smart for the owner to keep direct tabs on the persons who impact profit the most, the current structure seems suboptimal. In most manufacturing organizations, the purchasing manager spends a significant amount of the company's money and thus has a great impact on profit, but PDQ's organizational chart does not even show who is in charge of purchasing. Further, manufacturing managers typically have a significant impact on the bottom line, but PDQ's manufacturing manager is several layers removed from the top manager.

Management Insulation: This one's glaring. The owner of PDQ, as it is organized, is a full four levels removed from her manufacturing labor and sales personnel. This is silly (and ineffective and wasteful) for a company of just 15 people.

So can you devise a better structure? Can you eliminate some personnel expense? Reduce the amount of management insulation? Decrease the number of managers and increase the number of direct reports?

Okay, your work is done. You've reorganized the org chart of PDQ. How much money did you save?

On the next page, you will find our reorganized and optimized organizational chart for PDQ Company. Just because it differs from yours does not mean that yours is wrong. There may be more than one right answer, but the one on the next page accomplishes some important things. First, it reduces payroll a full $250,000 per year ($80K reduction in direct labor, which lowers COGS ("Cost of Goods Sold"), and a $170K reduction in overhead labor, which lowers SG&A ("Sales General and Administrative") expense. To put it in perspective, look at PDQ's Income Statement **before** restructuring.

Revenue	$3,800,000	100%
Cost of Goods Sold	$2,356,000	62%
Gross Profit	$1,444,000	38%
SG&A	$1,262,000	33%
Operating Profit	$182,000	5%

A $250,000 reduction in payroll expense is a **very** big deal. In fact, it will increase PDQ's operating profit 137% — taking it from $182,000 to $432,000! Operating profit margin rises from a paltry 5% of revenue to a healthy 11%. Here's what the new income statement will look like, all other things being equal:

Revenue	$3,800,000	100%
Cost of Goods Sold	$2,276,000	60%
Gross Profit	$1,524,000	40%
SG&A	$1,092,000	29%
Operating Profit	$432,000	11%

How did we do it?

First (ad-libbing a bit for illustration purposes), the owner of PDQ agreed to get in the management game a little more directly. That is, she agreed to increase her direct reports from one to three. This important move allowed us to eliminate the general manager, who earned a whopping $100K.

Second, we got the CFO to directly oversee manufacturing operations. For that, we gave him a raise from $75,000 to $95,000. The CFO will now oversee accounting, purchasing AND manufacturing operations. He will report directly to the president/owner, which is much more appropriate. The CFO also gained the title of purchasing manager. Indeed, he now has a lot on his plate, but the key to making this work was our assumption that one of the four manufacturing laborers could step up and become manufacturing team leader. We increased this person's pay from $40,000 to $50,000. Our net savings is now at $70K per year.

Third, getting both the CFO and one of the manufacturing laborers to step up a bit allowed us to eliminate a second manager — the manufacturing manager — which saves another $90,000 per year and takes our total saving to $160K.

Next, we got the marketing manager to take on management of the sales team. This allowed us to eliminate the sales manager (another $90K per year, taking our savings to a whopping $250K). Surely the marketing manager can handle his marketing

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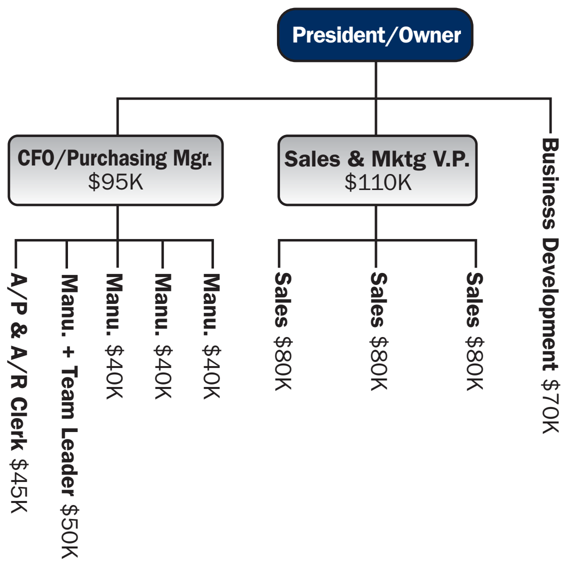
***Optimize Your Organizational Structure to Eliminate Waste, Increase Profit*, continued from previous page**

duties and also manage the sales team. As an incentive, we promoted him to vice president of marketing and sales and moved him up to report directly to the president/owner. He did not get a pay raise but was promised one if he excels.

Finally, we moved the business development manager directly under the president/owner. The rationale was partly to lessen the load on the new VP of sales and marketing, and partly because of the significant impact the position can have on revenue growth. Further, the owner of PDQ likes business development, and this new structure will allow them to work together more easily and, she hopes, achieve better results.

New PDQ Organization Structure



A couple of points in closing. First, reductions in labor costs are just one potential value in an optimized organizational structure. Our discussion above happens to focus on this type of benefit, but a substantial benefit is developing an organization built for maximum productivity. In other words, an optimal organizational structure will result in higher revenue and profit per employee and higher profit margins overall.

Second, keep in mind that people like to be busy. Boredom is a terrible thing. Do your employees a favor and challenge them. Give them a lot of responsibility. Give your managers a lot of direct reports. Reduce the number of layers between you and the lowest rung. The result will be lower cost, greater efficiency, higher levels of satisfaction, lower employee turnover and, most important, improved profit margins.

Now, pull out the organizational chart for your business. If you don't have one, develop one. Even draw it up freehand.

What does it look like? Are there obvious breaches of our three rules? Does it look lean and mean, balanced? Or does it look lopsided? Out of balance? Do some people have little on their plate while others are covered up? More layers than necessary?

Of course, we don't suggest that our three rules are hard-and-fast, but give them good consideration. Could your organizational structure be improved?

Note: This article was adapted by David L. Perkins, Jr. using, in part, information contained in The Cost Reduction and Profit Improvement Handbook*, 1983, Harry E. Figgie, Jr. The techniques presented are as applicable today as they were 30 years ago. Harry Figgie spent his career reducing costs and enhancing profit in private companies. After graduating from Harvard Business School in the 1950s, Figgie specialized in profit enhancement at various organizations, including Booz Allen, Firestone, and Parker-Hannifin. He then put his skills to work for himself by buying a distressed manufacturing firm that was doing $20 million in annual revenue. He applied his techniques with great success. He then bought another, and another, wringing profit out of each. Over a 30-year period and some 50 small-company acquisitions, he amassed an organization with revenue of $1.4 billion and hundreds of millions in annual profit. Although later in life his giant company began to falter, business owners can learn a lot from what Figgie did so well — wring profit out of private companies through a thorough approach to cost reduction.* ❑

The Business Owner Series on Cost Reduction and Profit Enhancement Strategies

January-February 2009 Issue:
- Profit Enhancement Through Cost Reduction: The Time Is Now
- First Step Toward Profit Enhancement? Break Down Employee Resistance
- Cost Drivers and Where to Look to Lower Cost
- Want to Improve Profit? Everything's Negotiable

▶ This Issue, March-April 2009:
- Optimize Your Organizational Structure to Eliminate Waste, Increase Profit
- Cost Reduction: Setting Priorities and Where to Look First

May-June 2009 issue:
- Peer Benchmarking: Compare Your Company to Others, Find Out What's Possible

July-August 2009 Issue:
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- How to Improve Your Sales Forecasting

May-June 2010 issue:
- Product and Service Pricing: Get It Right to Maximize Profit

Cost Reduction: Setting Priorities, Where to Look First

You want to reduce cost and improve profitability, but doing so takes time. And it's not like you don't have anything else to do. So where is the low-hanging fruit? Where can your efforts produce the highest yield?

The answer is pretty simple. As cost-cutting legend Harry E. Figgie, Jr. explains in *The Cost Reduction and Profit Improvement Handbook*, just lay out your income statement as follows*:

PDQ Company Income Statement

Revenue	$3,800,000	100%
Less: Material Expense	$1,750,000	46%
Less: Direct Labor	$250,000	7%
Less: Direct Overhead	$356,000	9%
Cost of Goods Sold	$2,356,000	
Gross Profit	$1,444,000	
Less: Marketing and Selling Expense	$308,000	8%
Less: General and Administrative Expense	$954,000	25%
Total SG&A Expense	$1,262,000	
Operating Profit	$182,000	

* We have deviated here a bit from what Figgie presented in his book.

All we have done here is to lay out the most recent full-year income statement for PDQ in a way that shows the major expense categories. Then, next to each expense category we've listed the percentage of revenue that each consumes. For example, Material Expense consumes $1,750,000 of total revenue of $3,800,000. By dividing $1,750,000 by $3,800,000 we get 46%.

Dollars of Expense/Total Revenue = Percentage of Revenue

$1,750,000/$3,800,000 = 46%

So pull out your income statement and organize it this way. Or ask your accountant to do it. Once you have it in front of you, consider this: You have brought in X dollars of revenue. A pretty big number, huh? Now scan down and see where all that money goes. Finally, what is left over at the end? Not much!

In the case of PDQ, $3.8 million comes in each year, but after it runs the gauntlet of outstretched hands, just $182,000 — a mere 5% of every dollar — remains. So it's plain to see who wins here — the pilferers. The vendors.

But no more. Today we fight back, and we start where the greatest amount of ground can be captured. In the case of PDQ, it's Material Expense by a landslide. Material Expense consumes 46% of every dollar of revenue. Reduce this expense by 10% and you've put an additional $175,000 on the bottom line.

Think it's not possible? Think again.

Future issues of *The Business Owner Journal* will provide techniques for reducing the "cost of goods" expense, but the purpose of this article is to provide a technique for identifying where to focus your cost-cutting energies at the outset of your expense reduction campaign.

Again, in the case of PDQ, here's its priority ranking:

1. Material Expense (consumes 46% of every dollar)
2. General and Administrative Expense (consumes 25% of every dollar)
3. Direct Overhead (consumes 9% of every dollar)
4. Marketing and Selling Expense (consumes 8% of every dollar)
5. Direct Labor (consumes 7% of every dollar)

Material Expense provides the low-hanging fruit, followed by General and Administrative Expense. Again, if you can reduce Material Expense 10%, your effort yields $175,000 and nearly doubles the bottom line. In the same vein, if you focus on reducing Direct Labor costs and succeed in reducing them 10%, you've generated $25,000 in additional profit.

Cost Reduction vs. Growth

Every business owner should keep in mind that a dollar of expense contributes almost a full dollar to the bottom line. This is because it generally costs very little to reduce costs. Sure, maybe some management time and effort, but the expense is negligible. But a dollar of revenue added is not nearly as valuable to the business or the business owner. In the case of PDQ, just 5 cents of every dollar of revenue falls to the bottom line. PDQ management hopes to increase that to 10 or 15 cents, but so long as expenses can be reduced in a business, expense reduction will have far greater impact on the bottom line.

What kind of expense reduction is achievable in your company? Well, Figgie spent a lifetime purging companies of unnecessary expense and improving bottom-line profit. He says that a 10% across-the-board expense reduction is almost always attainable. In the case of PDQ, that's $350,000 per year added to the bottom line, boosting profit to $532K per year or 14% of revenue. Figgie says that often 20% to 30% expense reduction is achievable. ❑

> **"You don't have to shout to get your point across if you use the right words."**
>
> *Harvey Mackay*

STRATEGY

Four Low-Cost Ways to Improve Your Business Today

Money's tight? Here are four things you can do to improve your business without spending a dime.

1. **Find Out What Your Customers REALLY Want.** To build a profitable business, figure out what your customers really want (i.e., things that add real value) and eliminate the rest. All the other stuff just consumes time and money without adding value. For example, CarMax zeroes in on what car buyers want — to find cars fast. So CarMax has built its business around providing a wide selection of cars at each location, helping buyers quickly find what is right for them and then completing price negotiations and purchases fast. According to Ron Wince, CEO of Guidon, CarMax has reduced the typical car-buying experience from five hours to one. Wow.

   Another example is Hertz. It's all about speed. Customers will pay more to save time.

2. **Help Your Employees Find What Customers Want.** After all, it's front-line employees who engage with customers, so they're in the best position to assess your customers' wants and needs. Try what Ron Wince calls "huddles," brief brainstorming sessions about the customer experience. Do these periodically and, over time, you'll improve your entire team's focus on what your customers want and need.

3. **Target Things That Consume Cash.** The first place to look is the asset side of the balance sheet. If balance sheet asset values are rising, cash is being consumed. Typically, it's inventory and receivables, so find ways to increase inventory turnover (i.e., get by with lower levels of inventory on hand) and speed the collection of receivables (i.e., negotiate shorter terms, invoice faster, require on-time payment, offer a discount for early payment, or improve your credit screening to reduce bad debt loss).

4. **Strengthen Bonds Among Your Employees and Between Them and Your Firm**. The result will be happier, more loyal and more productive employees. Who wouldn't want this? Borrow a page from Bob Mackasek's* playbook. He runs a large limousine company in New York City. His drivers are of diverse backgrounds and cultures. They spend most of their time isolated from one another (driving limos). Fostering inter-employee relationships was a real challenge, but Mackasek is convinced that his efforts have been instrumental in growing his fleet to 210 vehicles.

   What is his secret? Employee appreciation days where managers cook for the employees. Family picnics and soccer games. Good working conditions. Annual employee awards dinner. Periodically getting them all together for fun and fellowship, publicly recognizing high levels of performance and showing genuine appreciation.

Note: Ron Wince, CEO of Guidon, a management consulting firm, provided suggestions for this article. You can reach him at www.GuidonPS.com. ❑

* *Robert "Bob" Mackasek is CEO of Valera Global, Inc.*

PROFESSIONAL DEVELOPMENT

Things Look Grim? Every Coin Has Two Sides

This may not be the time to make a lot of money, but it can be a time to make some money. What I mean is, this may not be a time when you will post record profits as a business owner, but it may be a time when you can make investments that could become highly profitable for you.

Buy low, sell high. Before the current recession, nothing was on sale. Everything cost more. Today, bargains abound. If you managed your money well while the times were good, then you might be in a position to pick up some assets at bargain prices.

Take the following case in point.

I've been representing the owner of a company in the sale of his company. Our first buyer fell through and we thought we'd close a deal with our "B" buyer by year-end 2008. Of course, financing became a problem. In the meantime, the company's largest competitor began to fail and, lo and behold, my client was able to pick up the assets of that business for pennies on the dollar. It could not have worked out any better. My client just yesterday closed on purchase of the company for maybe 15% of what he would have been willing to pay just a year ago.

True, my client wishes to sell and move on to a more relaxing retirement, and he will do so. The acquisition will help us get a deal done, probably with the seller at hand. If not, we have a rock-solid buyer (our "C" buyer) ready and willing to buy, but "C" has not offered the price offered by the two other less-proven buyers (i.e., "A" and "B"). My client and I together decided we'd take the chance working with the less-proven buyers, one and then the other, and if they fall through, go then to "C," Mr. Reliable.

Before the current recession, almost nothing was on sale. Today, bargains abound!

Either way, the price we get will be even higher due to the recent acquisition.

Winners find ways to win no matter which way the wind is blowing.

Not finding much to get excited about in the current economy? Try looking at the other side of the coin. ❑

IRS Suggests Ways to Avoid Problems at Tax Time

For taxpayers looking to avoid the last-minute rush of preparing and filing tax returns, the Internal Revenue Service offers these tips:

1. **Organize Tax Records.** Tax preparation time can be significantly reduced for taxpayers who develop a system for organizing their records and receipts. Start with the income, deduction or tax credit items on last year's return.
2. **Don't Procrastinate.** Resist the temptation to put off doing taxes until the last minute. Hurrying to meet the filing deadline may cause a taxpayer to overlook potential sources of tax savings and could increase the risk of making an error.
3. **Visit the IRS Online.** Everything you need can be found at IRS.gov, 24 hours a day, 7 days a week — forms, instructions, publications, tax law information and answers to frequently asked tax questions.
4. **Take Advantage of Free Tax Assistance.** The IRS offers recorded messages on about 150 tax topics through its TeleTax service at 1-800-829-4477. It also offers federal tax forms and publications at 1-800-TAXFORM (1-800-829-3676). Many post offices and libraries carry the most widely requested forms and instructions. Libraries may also have reference sets of IRS publications. Taxpayers needing IRS forms or publications should act soon to be sure they have the items in time to meet the April deadline. The IRS also staffs a Tax Help Line for Individuals at 1-800-829-1040, 7:00 a.m. to 10:00 p.m. on weekdays, and 10:00 a.m. to 3:00 p.m. on Saturdays (all times are local, except in Alaska and Hawaii, which should use Pacific Time). Help for small businesses, corporations, partnerships and trusts that need information or help preparing business returns is available at the Business and Specialty Tax Line at 1-800-829-4933. Hearing-impaired individuals with access to TTY/TDD equipment may call 1-800-829-4059 to ask questions or to order forms and publications.
5. **Use IRS Taxpayer Assistance Centers and Volunteer Programs.** Tax help is available at more than 400 IRS offices nationwide. To obtain the location, dates and hours of the Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs, call the IRS toll-free Tax Help Line for Individuals at 1-800-829-1040, or check the local newspaper. Finally, find local IRS office locations at www.IRS.gov.
6. **Use Electronic Refund Options.** One way to speed up an expected refund and reduce the chance of theft is to have the IRS deposit the refund directly into your bank account. Each tax instruction booklet gives details on entering the financial institution's routing number and the taxpayer's account number on the tax return. Make sure to enter the numbers correctly on the form. For checking on the status of a refund, a new Internet option this year is *Where's My Refund?* Simple online instructions guide taxpayers through a process that checks the status of their refund after they provide identifying information shown on their tax return. The results also include links to customized information based on the taxpayer's specific situation. The links guide taxpayers through steps needed to resolve any issues affecting their refund.
7. **File Electronically.** More than 50 million taxpayers now file their returns electronically. Why? Because it's fast, cheap and accurate. For those due a refund, the wait time for e-filers is half that of paper filers. This year, the IRS Web site hosts Free File, a free tax preparation and electronic filing program for eligible taxpayers.
8. **Double-Check Math and Data Entries.** Taxpayers should review their returns for possible math errors, and make sure names and Social Security numbers or other identification numbers are correct and legible for themselves, their spouses and their dependents.
9. **Don't Panic If Immediate Payment Is Not an Option.** If you can't immediately pay taxes due, consider some stress-reducing alternatives. Taxpayers can apply for an IRS installment agreement, suggesting their own monthly payment amount and due dates, and getting a reduced late payment penalty rate. Taxpayers also have various options for charging their balance due on a credit card, either as part of an electronic return or by a phone call to a processing agent. You can reach Official Payments Corporation at 1-800-2PAY-TAX (1-800-272-9829), or at www.officialpayments.com. You can reach The Link2Gov Corporation at 1-888-PAY-1040 (1-888-729-1040), or at www.pay1040.com. There is no IRS fee for credit card payments, but the processor charges a convenience fee. Electronic filers with a balance due can file early and authorize the government's financial agent to take the money directly from their checking or savings account on the due date. Taxpayers who file their tax returns or request for extensions on time, even if they can't pay, avoid potential late-filing penalties.

Help for small businesses, corporations, and partnerships preparing business returns is available at the Business and Specialty Tax Line, 1-800-829-4933.

10. **Request an Extension of Time to File.** If the clock runs out, taxpayers can get an automatic four-month extension of time to file, to August 15. But an extension of time to file is not an extension of time to pay. Taxpayers may call

continued on next page

Stay on Top of Your Receivables!

Some of your customers are having financial problems. Some are going broke. If you knew which ones, you'd be able to manage your own interests more effectively. But you don't.

The risk of bad debt loss today is very real. I'll spare you the "today, more than ever …" line here, but you get my point.

So what are you going to do about the heightened risk of bad-debt loss? You're going to manage it — and we're going to show you how.

Step 1. Remove All Doubt.

I've met a lot of people who lose the receivables collection battle before it's ever begun. Why? Because, for some reason, they look at debtors with empathy and somehow don't want to be "tough" on them. If this is you, snap out of it! Talk with someone who can help you: your partner(s), employees, board members, bankers, or even a psychologist.

Think about it. Your customers requested credit terms. You agreed. They purchased your product and made a promise to pay. We're all adults. You did your part and delivered the goods or services. Now their part is to pay. If they are having problems paying, it's okay to "feel for them," but your job is to manage your own business effectively and prudently, not theirs. Your job is to protect your own employees, vendors and shareholders. You must do it with maturity, courage and discipline. This means getting paid using whatever legal means necessary.

Feel emboldened? Good.

Step 2. Manage Expectations.

After you've decided that you will require customers to pay in full and according to the terms (or if they are already late, begin making real progress toward catching up), go to work on your employees and customers. Explain to them what is expected, what will be tolerated and what won't. If certain customers have not quite paid on time in the past, talk with them. Further, send a formal letter outlining your payment policy. If things need to change, go ahead and change them.

Step 3. Study Your A/R Aging at Least Once a Week.

Collections are all about vigilance — having a plan and following through on it religiously. So watching your A/R aging regularly is essential. As accounts begin to approach their due date and remain unpaid, it's time to implement whatever response you developed for this occurrence. Typically, it's a phone call to the customer or a letter or email that says something simple like:

Dear Cheryl,

This is a friendly reminder that our records show that invoice number 2212 for $300 is due in just five days (March 30) and remains unpaid. To ensure that you're aware of it, I've enclosed a copy.

As always, we appreciate your business.

Please call us if you have any questions or concerns.

Regards,
Jack Benson
Office Manager

Of course, some accounts may be past this point so then it's a matter of taking appropriate actions. Often, it's about working out payment — progress — with the debtor. Develop an understanding of "where do we go from here." Then it's your job to help your debtor meet those terms or "do what you have to do," whether that's to refuse further shipments or begin legal action.

Step 4. Be Objective. Be a Gentleman (or a Lady), but Deal with Reality.

The reality is, in every troubled account case, SOME vendors are getting paid. You know what I mean? The customer that owes you money IS paying SOME people, just not you. The question is why others are getting paid and you aren't. Likely it's simply that the other vendors are requiring payment. How does that make you feel?

If you have a hard time dealing with your collections objectively and firmly, consider getting someone else to handle the task. Some people are great at it and some are just terrible. Similarly, some people actually like to handle collections, and they're usually the ones who do it well.

A common characteristic of a poorly run company is weak credit and collection policies and practices. Could this be you? If so, endeavor to turn it into a strength of your firm. It could mean the difference between survival and failure. ❑

TAXES

***IRS Suggests Ways to Avoid Problems at Tax Time*, continued from previous page**

1-888-796- 1074, e-file a Form 4868 included in most tax preparation software, or send a paper Form 4868 to the IRS. Those who request the extension by computer or phone will need their adjusted gross income amount from their 2007 tax return. Taxpayers who charge their expected balance on a credit card don't have to file the form. Contact Official Payments Corporation or Link2Gov Corporation. There is no IRS fee for credit card payments, but the processors charge a convenience fee. The extension itself does not give a taxpayer more time to pay any taxes due. The taxpayer will owe interest on any amount not paid by the April deadline, plus a late payment penalty if at least 90% of the total tax due has not been paid by April 15. ❑

The IRS provided the content for this article.

Take Your Business to the Next Level

(A Talented Creative Agency and a Good PR Firm May Be All You Need)

Your business is what people see, hear and read about it; nothing more and nothing less. Yes, to your customers, you're about the experience they personally have with your products and services, but your growth will come from the great universe of **potential** customers and referral sources. To them, you're just one of two things: nonexistent or an impression.

Nonexistent doesn't get you any business. The people who don't know you exist at all can't call you and won't refer business to you.

But if your prior activities or efforts to create awareness bore fruit, you've made an impression on some people. You've placed (intentionally or serendipitously) in their minds an image or "feel" for who you are, what you offer and what you stand for. An image derived from their interpretation of their encounters with you, your logo, your story, your website, your storefront, etc.

Is the impression people have of you one that will serve you well? Fuel your growth? Cause talented people to want to work for you or with you?

Every time you meet someone, hand out a business card, mail a letter, answer the phone or present yourself on the Web, people are judging you and your firm. They're deciding whether you're "really sharp" or just showing up. Of course, they don't really know because they have not worked with you before, but they'll use their impressions to decide whether they'll ever give you a try.

To be sure, image matters. In a world where image matters, Ryan Rex says you need to at least get the basics right:

1. Establish your unique brand message and brand identity
2. Get a good, professionally created logo and tag line
3. Develop a top-notch business card, stationery and website*
4. Constantly develop and execute strategies for building awareness

Does this seem like a lot? It's really not.

Yes, it will cost some money, but rest assured, it's an investment that will pay big dividends.

Public Relations (PR) Firm vs. Creative Agency

The work of a PR firm and creative agency overlap quite a bit, but the PR firm focuses more on getting your message out. The PR firm also will help you with crafting your brand and your message, but the heavy-duty branding work is done by the creative agency.

Is the impression people have of you one that will serve you well?

So look at it like this. The creative agency helps you define your brand, your logo, your look, your business cards, letterhead and website. The PR firm then helps you get your message out. So you get mentioned in the media, get articles written about you or your firm, design a competent direct mail campaign, or develop a smart trade show strategy.

Working with Creative Agencies and PR Firms

Here, quality definitely matters. To find the right firm for you, share what you think you want with people you respect. Get their suggestions, then meet with some of the agencies they recommend. Ask for samples of their work and check references. Do you see passion? Do you see quality?

If you want the job done right, don't be afraid to spend a little extra money. You don't want to pinch pennies today and have to redo it all again in a few years.

Engaging a Creative Agency or PR Firm

Creative agencies and PR firms are paid in one of three ways: by the hour, by the project, or on a monthly retainer.

Hourly rates range from $20 to $250. You would be wise not to pay by the hour unless you know exactly what you want and are skilled at directing the agency or firm. That's typically not you or me.

Don't let fear of what people might think dissuade you from using the media as a powerful tool for creating awareness.

Project billing is appropriate for clearly defined projects that have a beginning and an end, e.g., $8,000 for a website that has a set number of pages and a particular functionality.

Monthly retainers are fine but should not be open-ended. They should be similar to project-based jobs but with an understanding that you will pay for the project in regular monthly installments. Or, if the work is more open-ended, the agency should keep track of everything it does for you (i.e., the time it spends working for you and what it does). In this manner, the agency will simply "fill up the limit" each month.

Is It Wrong to Pursue Publicity? Is It an Ego Thing?

A lot of people confuse publicity with ego. They think that if you cooperate in any way with the media and the result is a favorable story about you or your company, then you're on an ego trip. Is this true?

What about the need to spread awareness of your firm? Are you committed to building a successful business? Are you someone who helps others ? Are you passionate about what you do and excited to spread the word? If so, then what you're doing is not about ego — it's about building a successful business.

To be sure, there are plenty of egomaniacs around, and you certainly could be one of them. So could I. But don't let fear of what people might think dissuade you from using the media as a powerful and often inexpensive tool for creating awareness.

PR and creative agencies aren't cheap. If you can't afford the help now, plan to make the investment at your earliest opportunity. It may be hard to see it as an investment because it uses no bricks and no mortar, but it will still play a major role in helping you build your business.

Note: Ryan Rex of Rex PR provided his expertise for this article. You can reach him at www.RexPR.com. ❑

* *At a very basic level, your website does not have to be extensive, just very sharp-looking and provide what you do, what you stand for, how to contact you and maybe some testimonials.*

Bankruptcy Law: Created to Benefit Us All

United States law allows every person and/or legal entity, such as a business, to trade, borrow and lend as it sees fit. This right is fundamental to our free-market system. It gives those who sell goods and services the freedom to offer "terms" — at their own risk. It gives lenders the right to lend — at their own risk. And it allows businesses and individuals to borrow and make promises to pay — at their own risk.

Our system works pretty well, but it's not perfect. One example is when a debtor becomes unable to repay — temporarily or permanently. What if the debtor is a business that has promise and employs many but, if forced to pay as originally agreed, would have to close? Should the creditors hold the fate of the employees entirely in their hands? Or what if the debtor is an individual who could never earn enough to repay? Should the individual face a lifetime of insolvency — in effect forever losing his or her freedom to peacefully exist and have normal debtor-creditor relationships?

U.S. bankruptcy law was created by Congress under its Constitutional authority to "establish ... uniform laws on the subject of Bankruptcy throughout the United States." The purpose was to protect the debtors, creditors and related parties (such as employees and communities) in these extreme cases. Bankruptcy proceedings are supervised by and litigated in the U.S. Bankruptcy Courts, part of the U.S. District Courts.

There are two basic types of bankruptcy proceedings. A filing under Chapter 7 is called liquidation. It is the most common type of bankruptcy proceeding. Liquidation involves the appointment of a trustee who collects the property of the debtor, sells it and distributes the proceeds to the creditors. Bankruptcy proceedings under Chapters 11, 12 and 13 involve the rehabilitation of the debtor to allow him, her or it to attempt to "get back on their feet" so that they can use future earnings to pay off creditors, pay taxes, provide jobs, etc.

If you think you may be facing bankruptcy or could become "unable to keep the doors open," you need to talk to your banker, accountant, legal advisor and, if you have one, an experienced and trusted "business expert."

In almost all cases, a trustee is appointed to supervise the assets of the debtor. A bankruptcy proceeding can either be entered into voluntarily by a debtor or forced by creditors. And various provisions of bankruptcy law establish the priority of creditors' interests (i.e., the process for determining who gets what, when).

After a bankruptcy proceeding is filed, creditors — for the most part — may not seek to collect payment or seize assets of the debtor outside of the proceedings (i.e., without the approval of the bankruptcy court). And the debtor is not allowed to transfer property that has been declared part of the estate subject to the proceedings. Furthermore, transactions that occur — such as transfers of property, secured interests and liens — before a bankruptcy filing may be subject to reversal or invalidation to protect the original creditors.

Bankruptcy law provides a valuable service to debtors, creditors, business owners, and our greater society.

And so, as described here, bankruptcy law is logical and unemotional, and provides a valuable service to debtors, creditors and our greater society. But to the people involved, such as the business owner "losing his business," it is emotional, painful and perhaps even humiliating. If you are in this position, understand that:

a. Bankruptcy exists to bring order and fairness.

b. The decision to seek bankruptcy "protection" can be a rational, mature and even compassionate choice.

c. If your business is failing, or is having financial difficulty, it can be less a reflection on you than on the situation you're in.

d. Good people can "go bankrupt." It does not mean that you are less of a human being.

e. Of course, maybe in hindsight, you could have, or would have, done things differently, but you did not have the benefit of hindsight before.

f. If you've been holding on to a belief that you are incredibly smart or perfect, maybe it's time to come to grips with the fact that you are human, just like the rest of us!

g. This too shall pass and, likely, you'll end up in a much better place (even though you can't see it now).

If you think you may be facing bankruptcy or could become "unable to keep the doors open," you need to talk to your banker, accountant, legal advisor and, if you have one, an experienced and trusted "business expert." The best thing you can do for yourself and for your business is to face reality, get some help and some objective points of view, gather information and options, and come up with the most rational means for dealing with the crisis.

You also need to deal with your considerable stress in healthy ways. That is, engage in activities that reduce your stress and enhance your ability to manage it and its potentially debilitating side effects. For example, exercise and "talking it through with your advisors" are obviously healthier than keeping your problems to yourself and drinking too much.

Yes, your business may be failing, and you might even be facing personal financial failure, and it may all seem out of your control, but you do have control of your response. You can choose to deal with it in a way you can feel proud of, with dignity, honesty, humility, fairness and diligence. What more could anyone ask of you? What more should you really ask of yourself? ❑

Now's the Time to Convert Your Retirement Account to a Roth!

Money held in a Roth IRA can be withdrawn tax-free. Money held in and withdrawn from other types of retirement accounts (regular IRA, SEP, 401(k), etc.) is taxed at ordinary income rates at the time of withdrawal.

Think about it. Income without taxation. How wonderful life would be!

Consider as well that, odds are, your income will be higher when you're older. You'll be in a high tax bracket. I'd also bet that tax rates will be higher then, because our federal government is going to have to find ways to increase its take. After all, it's going to have to pay back the trillions of dollars of debt now being carried. So getting some of your wealth into a Roth IRA account is a hedge against potentially high future tax rates.

The problem is, under current tax law, only persons earning less than $116,000 ($169,000 if married filing jointly) can contribute to a Roth IRA. That's been blocking you and me from the Roth. But, lo and behold, this bad economy has done a number on your income. My income. So maybe you qualified in 2008? Maybe you will in 2009?

Convert Current Retirement Accounts to a Roth

Annual Roth IRA contribution limits are just $5,000, in most cases. Over time, and with appreciation (tax-free, I might add), your Roth balances will grow, but the big ticket would be if you could convert an existing retirement account into a Roth.

Good news. This can be done.

Only those earning less than $100,000 can do this, but maybe you qualify now (2008)? Maybe you will in 2009? If not, no need to worry, the limitation goes away entirely in 2010 (under current tax law).

Of course, there's no free lunch. Converting a traditional retirement account to a Roth requires that you pay ordinary income tax rates on the amount you move to the Roth. Painful, to be sure, but consider the following:

- Once your money is in a Roth it will grow tax-free and can be withdrawn tax-free.
- There are no withdrawal requirements as with a traditional IRA.
- Your Roth IRA can be passed to your heirs, tax-free, who also may withdraw monies from it tax-free.
- Having some monies in a Roth is, as we said above, a nice bit of diversification. That is, a little hedge against the risk that future income tax rates could be very high.
- To the extent that your income took a hit in 2008, or will in 2009, the rate that your converted balance is taxed at will be lower (i.e., a lower tax bracket).
- Due to the recent sharp decline in the value of most investment types, it's likely that the total value of the money held in your retirement accounts is depressed, which will result in a lower tax bill upon transfer (i.e., it's the perfect time to convert to a Roth).

To be sure, the rules on qualification and conversion are complex. Go figure. Talk to your tax advisor. ❑

Look Around: You're a Bigger Fish Now

Times are tough. Business is slow for everyone. But for small-business owners, life has gotten a lot better. How so?

Well, you're a much bigger fish than you were six months ago. Two years ago. Right? Think about it.

Talented vendors such as PR firms, creative agencies and software developers didn't care much about you when times were good. They were slammed with work and naturally paid the most attention to their big clients. But things have changed. I'm amazed at how specialists seem so much more interested in talking to smaller firms now.

In our case, they seem much more genuinely interested in talking to us now, in sitting down with us to understand our business and figure out how they can help us, for a fee, of course. For the past three or four years — when times were good for everyone — I really think that the exceptionally talented and sought-after specialists would not even bother with smaller firms like ours. We just did not have the buying power. Have you ever felt this way?

So now might be a great time for you and me to get the help we need.

But things have changed. These firms don't have nearly as much work on their plates. As a result, they're much more interested in just about any business they can get. So now might be a great time for you and me to get the help we need. To secure the top-shelf talent that'd be your #1 pick to get a job done right — and of course, at a much more reasonable price. Yes, the bargaining power has shifted from them to us, from vendor to customer.

In our case, we need some good creative talent to help us update this publication, bring it into the digital age and improve the value proposition for our readers as well as our private-label clients. We could use an updated look and a strategy for making it easier for business owners to find on the Web. A project like this takes some very smart minds. We've had our eye on a firm that would be great for the job, but it has a blue-chip clientele and frankly has not shown a lot of interest in helping us — until lately. Thanks to the recession (at least that's what I attribute it to), it has really focused on helping us. I'm very thankful that we are now getting some top-shelf assistance to help our business grow. Oh, yes, and at a reasonable price.

Maybe you're in a similar position? ❑

It's Time to Lower Your Property Taxes

Gigi Berman Aharoni is right. Real estate values are in a nosedive, so you may have a good shot at lowering your property taxes.

In her recent article on Newsday.com titled "Real Estate Crisis May Lower Your Tax Property Bill," Aharoni urges readers not to trash their "Tentative Assessment Value" notice when they receive it in the mail from their county assessor. The statement provides important information on taxes, namely the value of your property as pegged by the county, which is what your tax bill is based on.

Take a look at it. Or if you haven't seen one in a while, contact the assessor for the county where your property is and get a copy. Do you agree with the estimate of value? If you think it may be high, you have a right to protest. If you do, and they agree to adjust the value downward, you'll owe less in taxes.

The first step is to contact your assessor's office and gather all the information that they have on your property. Try to understand their valuation methodology. Does it look fair? If you think it's overvalued, the next step is to find out if there's a deadline to submit your protest for the current tax year.

Third, gather as much evidence as you can that might support a lower valuation: pictures, comparable sales, letters, even an appraisal from a respected appraiser. Submit the data to the assessor in the manner requested by them.

Property values have fallen. Check the assessed value on your properties to see if you can get it reduced.

Of course, there are people who specialize in helping property owners lower their assessed values. If you think you might want to go this route, ask your assessor for recommendations. Ask your realtor or real estate broker for recommendations, but keep in mind that most assessors' offices will readily accommodate individual property owners in their efforts to provide information that might substantiate a value lower than the assessed value of record.

Bear in mind that value is subjective but is also based on objective information about the property and the values of similar properties changing hands. Also, assessors can be WAY off the mark. That's no reason to get mad, just a reason to help them learn the error of their ways. Sometimes, they have poor or even inaccurate information about your property. Your job is to help them get the facts straight.

Pay particular attention if your property is unique or in an area undergoing change, such as development. Value swings can be substantial.

A case in point: A partner of mine just completed a protest on a piece of property that we own jointly in a rapidly developing area. The assessor boosted the value tremendously this year, giving it a value commensurate with its location along a new city road being built. Granted, values rise sharply when access is provided or improved, but in this case the property remains zoned for agricultural use! That is, at this time, we do not have the legal right to use the land for any purpose other than agriculture. So, valuing it — as the assessor did — with a highest and best use of commercial development does not compute. We alerted the assessor to this and succeeded in reducing our taxes by 80% — some $30,000!

What's the moral of the story? Do as Aharoni urges — don't throw away your assessed value statement. Values have declined all over the U.S. Be sure you're not paying taxes based on 2007 values. ❑

About the Publisher

David L. Perkins, Jr. owns, writes and publishes *The Business Owner Journal*, the newsletter of choice for more than 25,000 business owners who are serious about building wealth through successful private business ownership.

Perkins draws editorial ideas and inspiration from his own life as a business owner and investor, and his daily work as a mergers & acquisitions consultant, where he has advised on more than 100 purchase/sale transactions involving both private and public companies. His M&A consulting firm is Acquisition Advisors, which he founded in 1997 and which specializes in transactions valued between $5 million and $75 million. Visit AcquisitionAdvisors.com to learn more.

Perkins holds a bachelor of arts degree in psychology from the University of Oklahoma and an MBA from the University of Notre Dame, and has completed the executive education course titled "Mergers and Acquisitions" at The Wharton School, University of Pennsylvania. He also pulls editorially from prior experience in commercial real estate leasing and brokerage, commercial bank lending and private company financial management.

Perkins is the author of *A Concise Overview of Business Valuation* and co-author of *The Business Sale, An Owner's Most Perilous Expedition*. You can buy the former at www.TheBusinessOwner.com.

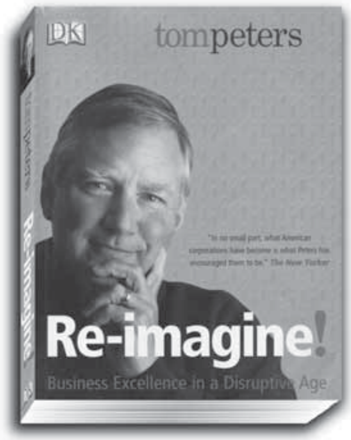
Contact him at 800-634-0605 or DPerkins@DLPerkins.com.

Re-imagine!

By Tom Peters

Reviewed by David Perkins

I first read *Re-imagine!* in 2007 just after it was published. I picked it up again the other day. I did so because *Re-imagine!* is about "Business Excellence in a Disruptive Age" and the world economy has — I think it is fair to say — crumbled. There's chaos everywhere. The ultimate catalyst that caused me to pick up the book again was a call from an old friend of mine. She said, "Perk, ah, you're not going to like this, but I think I'm in big trouble here." She was talking about her business of 60 employees. She doesn't think she can make it anymore, facing possible bankruptcy and personal financial ruin because she personally guarantees the debt.



Tom Peters, widely recognized as one of the greatest business writers and thinkers of our generation and author of *In Search of Excellence* — possibly the #1 business book of the past 25 years — wrote *Re-imagine!* after the dot-com bust, 2001 terrorist attacks and well after President George W. Bush's proclamation of "the end of major combat operations" in Iraq (i.e., right before we realized that we might be in over our heads).

Peters explains that he is "mad as hell" about our dysfunctional governments, military, corporations, etc.

Today's economy is about intangible assets. It's about ideas, creativity, innovation, speed, focus, branding, image, etc.

Well, I wonder how he feels now?

I'll bet he's madder than hell. But that's not the point.

Re-imagine! is right on target for you and me. Tom Peters passionately explains that "in this age of disruption," when businesses rise and fall in years instead of decades, and a band of loosely connected people with cell phones and a few $3 box cutters can evade the $500 billion U.S. defense infrastructure and take our country to its knees (i.e., "9/11"), the conventional will surely die. Times are different. Status quo is gone.

This is not an economy or a time when status quo is going to do much for you or me or anyone. Peters includes many great quotes, one of which is:

> "If you don't like change, you're going to like irrelevance even less."
>
> General Eric Shinseki, Chief of Staff, U.S. Army

Re-imagine! speaks to me today even more than it did two years ago.

First, with chaos there's opportunity. For example, I have a consulting client whose #1 competitor just failed. My client purchased the assets of that company for a fraction of what it would have cost just a year ago. The result for my client will be higher volumes and significantly greater pricing power. To be sure, my client is taking SOME risk by spending more on his business, but the odds are it'll pay off big time. He does not have his head in the sand. He's letting chaos play into his hand. He's ready and willing to watch for opportunity, take risk and attempt to craft a new reality.

Most of us are not the dominant players in our industries. When status quo reigns and everyone is making money, what are the odds of dethroning the dominant player? The more likely scenario is to allow change, a disruption, to weaken the big boys, and therein is our opportunity to do things differently. Do things better. Do things smarter. Or just do things a lot cheaper so that we are able to survive the bad times when others cannot.

Tom Peters passionately explains that "in this age of disruption," the conventional will surely die.

Second, today's economy is about intangible assets. It's not about control of the land, or bricks and mortar, or commodities, or "factors of production." It's about ideas, creativity, innovation, speed, focus, branding, image, etc. As such, brainpower wins, and business owners must attract, retain and empower smart people who are creative, innovative and at the forefront of technology.

Third, radical and rapid advances in information technologies drive ever-expanding opportunities to innovate and differentiate. As a business owner, you have a choice. Either stand by and allow others to innovate and eventually render you obsolete, or become an innovator and render others obsolete. Of course, nobody really knows which innovations in method, process or organization will be viable. Which ones will resonate or add and build value? So the key is rapid innovation. Trial and error. Willingness to fail and "look stupid." It's these people, organizations and businesses that will find breakthroughs, and survive and thrive.

Of course, Tom Peters has a heck of a lot to say in *Re-imagine!* A lot of lessons for you and me. It's not a book that you sit down and read in a day or two, or even a week. It's weighty. Disruptive to your thinking. By design, I suspect.

To my friend whose business is failing, I say, "Fight like hell. I'll help." Survival is all it's about today. But if failure happens, the phoenix WILL rise again. We've all experienced failure. So often, we come to realize that it was what was supposed to happen. We would not change it. It's natural. We become transformed into something better. More appropriate. More comfortable. Trust, and know, my friend, that there is a bright future ahead for you. It's the mystery of life. ❑

Is Poor Email Etiquette Eroding Your Credibility?

People judge your character by the level of civility that you exhibit in your dealings with them. This includes face-to-face communication, telephone communication, letters and email.

People may have impeccable etiquette in some areas yet harm their reputation by failing in others. Jana Christian, president of The Etiquette School of Oklahoma, says a common "blind spot" for businesspeople is email and cell phone etiquette. The casualness of email and cell phones tricks people into thinking that anything goes, that they don't need to pay attention to etiquette.

So here are Ms. Christian's tips:

Tips for Better Email Communications:

- Always begin your emails with a greeting (e.g., "Hello, John" or "Dear Ms. Smith") and end them with a salutation (e.g., "Regards, David" or "Sincerely, John Smith").
- Avoid indiscriminately forwarding emails, and don't overuse the cc capability.
- Avoid sending or forwarding inappropriate and/or unprofessional information.
- Don't over-rely on email for communication. Email is not good for discussion, working out problems, developing solutions, negotiating, building relationships, establishing and maintaining rapport, and communicating deeply and clearly.
- When sending mass emails, always provide easy opt-out options and adhere to them.
- Respectfully help others understand what your needs and preferences are regarding communications with you (e.g., send me the funny emails or please do not).
- Emails are NOT private. They are too easily forwarded, found, queried, etc. Do NOT write or send anything that you would not want to be posted on your home or office door.
- Use spell-check; always proofread before sending!
- Never write or send an email while emotional, angry, hurt, etc. Let time pass.
- Reply to emails within 24 hours. If you are unable to do so, set an auto-response that alerts all senders of your inability to respond in a timely manner.

Tips for Cell Phone Use:

- During business hours and at events and meetings, place your phone on vibrate-only. A ringing phone interrupts and breaks rapport.
- Set your ring tone to a basic ring sound. Trendy tones and music are unprofessional and distracting.
- Don't answer your phone when you are talking to someone else or in a meeting. Doing so subtly says "the person calling is more important than you."
- If you MUST take a call during a meeting, let the other person know in advance that you are awaiting a call and that, if it comes, you must take it. Apologize, ask for permission, and explain that your meeting with him or her is very important to you, but you must take this one call.
- When you must talk on your cell phone around other people, move at least 10 feet away. It's not appropriate to talk on the phone right next to people.
- When you begin a cell phone conversation, be sure the other party is aware that you are on a call, or that the reception could be poor, and warn that the connection could be dropped. If this happens, agree on who will re-initiate the call (it should always be the one who initiated the original call).
- Return all voice mail messages in a timely manner. If you are unable to do so, record a voice mail message that alerts the caller of your inability to respond in a timely manner.

People judge your character by the level of civility that you exhibit in your dealings with them.

Never forget — the way others perceive you will be what they think of you. In other words, perception is reality (in the eyes of the beholder).

You can reach Jana Christian at www.oketiquette.com ❑

"Ooh! I love this ringtone!"

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