



SPECIAL POINTS OF INTEREST:

- Are you among the "wealthy" that could be taxed?
- Who do you spend the most time with?
- Product-Price Chain continuation
- Local firm helps Auburn
- Quality referrals

INSIDE THIS ISSUE:

Wealthy Likely to See Double-Digit Tax Hikes

1

"You are the average of the five people you spend the most time with"

1

The Three Best Ways to Break the Link of the Product-Price Chain

2

Mobile Surveying Firm Helps Preserve Auburn's Roots

Taxing Times

Dedicated to helping our clients keep the money that belongs to them through a focus on tax.

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Wealthy Likely to See Double-Digit Tax Hikes

Deficit pressures leave little room for further extension of tax cuts

In the not so distant future... The year: 2012. The forecast: \$2.5 trillion in U.S. debt. Higher taxes for... You.

The Congressional Budget Office's forecast of a \$2.5 trillion deficit in 2012 has already prompted calls for limiting the tax breaks for mortgage interest, charitable contributions, municipal bonds and retirement contributions.

The deficit is an issue and you should probably make up your mind that something is going to happen and that you're likely to pay higher taxes.

Unless Congress acts, tax rates on income, capital gains and dividends will rise in 2013. Top earners will also face additional taxes on investment income and wages as a part of the health care reform.

President Obama has proposed letting income tax rates return to a high of 39.6 percent from the current 35 percent for couples making more than \$250,000 per year. Capital gains and dividends would be taxed at a top rate of 20 percent, up from the current 15 percent. An additional 3.8 percent tax is already scheduled to be imposed in 2013 on the net investment income of a couple with over \$250,000 in income. Married couples with earnings of more than \$250,000 will also see an additional 0.9 percent tax on the excess over that amount.

The biggest tax breaks for individuals include those for mortgage interest, charitable contributions, state and local taxes, incentives for retirement savings and the exclusion for employer-provided health care. Eliminating any of these could be politically toxic but I wouldn't be surprised by efforts to reduce their benefits targeted primarily at the "wealthy." [WARNING: Washington's definition of wealthy and yours may not be the same.]

Phasing out the mortgage interest deduction would increase federal revenue by \$214.6 billion over the next decade, according to estimates from the Joint Committee on Taxation in a March report by the CBO. Curbing deductions for charitable giving would raise an estimated \$219 billion over the next 10 years, the CBO study said.

Other revenue-raising options being tossed about include taxing interest earned

Continued on page 2 ➤

"You are the average of the five people you spend the most time with."

That quote is from the great author and self-made millionaire Jim Rohn. When I first read it, I remember thinking about the people who I spend the most time with, particularly in my business life. I also started making mental notes about who I felt was a positive influence and who tended to be a negative influence. Have you ever had a friend rain all over your idea or tell you that you couldn't do something? Or, have you ever been at a networking event and felt that, for once, you were the smartest one there? In both cases, I want to encourage you to take a fresh look at who you are spending the most time with and consider whether or not you feel challenged, supported, encouraged, and refreshed as a result.

I am not suggesting that you immediately go out and get some new friends, nor am I telling you that there is nothing to be gained by always being the sharpest knife in the drawer. Giving of yourself and helping others do well are both worthwhile and rewarding. What made a huge difference in my life was when I made a conscious effort to seek out and spend more time with people whom I felt had the same mindset as mine and hoped were smarter than I was!

One of the most powerful images for me to ponder is what it must have *Continued on page 2 ➤*

The Three Best Ways to Break the Link of the Product-Price Chain

In most business owner's minds, there is a stronger link between price and product than in the mind of the consumer. This link can act as a chain that holds us back from accepting the full value for the products and services we offer.

In their recently released book, *No B.S. Price Strategy*, Dan Kennedy and Jason Marrs tell us the three best Chain-Cutters are:

- * Who is buying the product.
- * Who is selling the product.
- * The context in which the product is being sold.



The good news, Kennedy writes is that you can control all three, to your advantage, if you will.

"Who is Buying" Matters a Lot

Different people buy the same product or service at different prices because of who they are, rather than what the product is. You make a statement by making a Starbucks run – or having one made for you – versus bringing in a thermos of coffee with you from home (the much cheaper alternative) or being seen with a cup from Denny's, McDonald's, or the no-name convenience store. An up-and-coming, ambitious mid-level executive at many companies cannot afford to be seen with a Denny's cup, or worse yet, a thermos. It would be inappropriate for the level of success she wishes to portray.

For others, it is no big deal... It has less to do with what they do than who they are, and how they perceive themselves and their business.

Timing is also a factor. Parents will spend considerably more money on their first baby than on babies two and three. Therefore, if you are selling to them while she is pregnant with or is raising baby number one, there is

Continued on page 3 ➤

You are the average . . . *Continued from page 1*

been like to witness one of the first mastermind meetings with none other than Henry Ford, Thomas Edison, President Warren G. Harding, and Harvey C. Firestone. Can you imagine what it must have been like to be a fly on the wall when these four men got together? Can you imagine how one must have pushed or encouraged the other? Or how they all must have shared a particular strategy that was working for them? It must have been awesome to have such a support group. Believe it or not, you have the same opportunity today that these great men had decades ago.

When I attended my first Glazer-Kennedy event, I remember having both a feeling of empowerment and a sense of relief that I finally found some other folks who were on fire about their business! While I still wanted to hang with my old friends and colleagues, I found myself seeking out every opportunity to be with some new people who were not only a source of encouragement, but chock-full of good ideas and suggestions!

I write this month's column with two missions. First, I want to share with you why I am so passionate about growing this local chapter. Hooking up with other Kennedy-style marketers and learning about the successes and failures of others

Wealthy Likely... *continued from page 1*

on municipal bonds and reducing the cap on all contributions to 401(k) retirements to \$14,850 annually and to \$4,500 for IRAs, according to the CBO report. That compares with current maximums of \$22,000 and \$6,000, respectively.

"Over the last decade this country has failed to live within our budget." -- Senator Max Baucus

"The government cannot close its enormous fiscal gap simply by taxing the rich." -- Representative Paul Ryan

Debt started the problem; more debt is not going to fix it. Our future prosperity isn't going to come out of Washington. It will come out of the hopes, dreams, and individual freedoms of the American people. If left alone, we have a tendency to prosper. Your hopes will be crushed if you're waiting for Obama or anyone else to fix your life and give you money. ☀

has greatly added to my success, and I know it will add to yours as well. Second, I want to encourage you to take a look at the people you are spending time with and honestly assess whether they are contributing to your growth and success.

A few years ago I heard the following expression: "If you want to run with the big dogs, you have to get off the porch!" This local chapter is one example of the opportunities you have to build your success team, and I sincerely hope that you are working hard to make 2011 the year that you, too, get off the porch and start running with the big dogs! The fourth quarter is almost on us. The time to take action is now! Make the move so that you're on your way to success.

REMINDER – The next Mobile Business Builders Chapter of Glazer-Kennedy Insider Circle will be held Tuesday, September 27th in Destin, Florida.

Often called The Original Mastermind Group: Henry Ford, Thomas Edison, President Warren G. Harding, and Harvey Firestone.



The Three Best Ways ... *continued from page 2*

a greater separation between price and product than if you are there for number three. The star athlete is much more unfettered in his spending right after signing his giant, new contract and pocketing his fat signing bonus than after ten years in the league, negotiating what his agent has cautioned him will be his last deal.

The price BP was willing to pay for top Google search engine placement leapt up dramatically immediately after the oil spill vs. before. The product: search engine optimization and placement did not change one iota, but the price BP was willing to pay for it changed overnight.

You can change your chosen Who at any time, as often as you are willing.

“Who is Selling” May Matter as Much or More Than “Who is Buying”

With many things, “leadership position” is very powerful. People prefer the trendy, talked-about restaurant because it is trendy and talked about – to the extent that their prices and others’ prices are made irrelevant.

To be fair about this, leadership position does not matter nearly as much to 20 and 30 year olds as it does to people in their 50s and 60s, or when an entire product category is new. It is not a universally powerful factor. When it isn’t, some other “Who Is Selling” factor often takes precedence.

One of those factors is being the “go-to person” in whatever field you’re in. You can be the go-to person if you position yourself as the expert in your field. All other things being equal, most people would prefer to do business with *the* expert. There is one thing that can top expert though: Celebrity. So, if you can make yourself into the celebrity expert...

The list of contemporary business and media personalities who have made themselves larger than life and profited enormously, is long, and encompasses just about every category. Think Donald Trump, Tony Robbins, Suze Orman, Dave Ramsey, Martha Stewart, Rachel Ray, Rush Limbaugh, Glen Beck, Dr. Laura and Dr. Phil, just to name a few. If you look back, most were once unknown, toiling in oblivion, working in small ponds, and that they manufactured their own celebrity. So why not you?

Many of them even made up their own credentials, greatly exaggerated them, or simply proceeded without them and yet are now recognized experts in their field.

The point is that the marketplace pretty much accepts you as you position and present yourself, especially if you put yourself forward forcefully and aggressively enough, utilizing the time-tested and proven strategies of self-promotion.

Looking for a Speaker for Your Club or Organization?



Richard knows how difficult it can be to find a good speaker – one that will educate and entertain. If your club or organization is looking for a seasoned speaker get in touch with Richard at richardlindsey@comcast.net for details.

The Context in Which What You Are Selling Is Being Sold Matters

If we move any of the lower-priced automobiles, such as Kia or Hyundai, out of their own dealerships with dedicated sales forces into Sam’s Clubs or Costco, with a buy-it-yourself system, what happens to the price? It undoubtedly falls! However, if we take a guy adept at demonstrating a magical cooking or cleaning appliance out of a booth in the tents at county fairs and set him up in a Sam’s Club or Costco, we can raise the price and sell just as many units per the number of people viewing the demo.

It has to do with the expectations of the consumer. Based, largely, on where they are buying it, perhaps brand, and the expertise of the salesperson, not the product.

Context means the circumstances that form the setting for an event, statement, or idea, in terms of which it can be fully understood and assessed. Within that definition, everything matters. The wardrobe, the mannerisms, the cleanliness of the hands and fingernails of the staff person at the front office counter matter. And in aggregate, everything forms the basis for the customer’s assessment, at conscious and subconscious levels, and that affects price.

In her days as the infamous Mayflower Madam, Sydney Barrows, co-author of the book, *Uncensored Sales Strategies*, learned that having phones answered by a mature woman with a British accent made higher prices acceptable than if the phone was answered by a young New York girl with *that* New York accent and, at times, chewing gum in her mouth. You might think of this as contextual congruency – everything, i.e., every little thing, fitting together to reinforce an idea supportive of a certain price.

Adapted from No B.S. Price Strategy by Dan Kennedy and Jason Marrs. Dan Kennedy is a multi-millionaire serial entrepreneur with past and present interests in diverse businesses. He is a strategic advisor, marketing consultant and coach with a cadre of private clients ranging from exceptionally ambitious entrepreneurs to the CEO’s of companies as large as \$1.5 billion.

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This "fun-gi" wants you to know that September is National Mushroom Month.
Enjoy!



Mobile Surveying Firm Helps to Preserve Auburn's Roots

You know the story, in 2010, No. 2 ranked (and unbeaten) Auburn rallies from a second quarter 24-0 deficit to beat No. 9 ranked Alabama by one point. It was the biggest comeback ever achieved by Auburn and the biggest ever allowed by Alabama.



In the aftermath of that dramatic victory, an Alabama fan admitted to pouring lethal amounts of a powerful herbicide around two historic 130-year old live oaks located at Toomer's Corner. Neither tree is expected to survive.

A recent article on www.pobonline.com (a website for land surveyors and geospatial professionals) highlighted the preservation efforts of Mobile's Marshall A. McLeod, PLS, LLC. The professional surveying firm, led by Marshall McLeod, a 1965 Auburn graduate, and Lynda Burkett, performed a high-resolution 3D laser scan of Toomer's Corner. Should the efforts to save the trees fail, accurate 3D models of the trees will help future generations understand their importance to Auburn fans.



The article identified the firm as one of the few in Alabama that could have performed the Toomer's Corner scan. The work was done pro bono.

Marshall A. McLeod, PLS, LLC: We salute you!

Looking for Someone You Can Rely On?

We really believe in the process of referrals, so part of the service we provide is to be sure to refer our clients and associates to other qualified business people in the community.

Below you'll find a list of areas in which we know very credible, ethical and outstanding professionals. If you're looking for a professional in a specific area we've listed, please feel free to contact us. We will be glad to put you in touch with the people we know who provide these services.

- ◆ Chiropractor
- ◆ Civil Engineer
- ◆ Florist
- ◆ Life Insurance
- ◆ Printer
- ◆ Window Treatments
- ◆ Cultured Marble
- ◆ Massage Therapist
- ◆ Mortgage Lender
- ◆ Real Estate Investor
- ◆ Realtor
- ◆ Tree Service
- ◆ Advertising Specialties
- ◆ Attorney
- ◆ Financial Advisor
- ◆ Personal Trainer
- ◆ Photographer
- ◆ Remodeler

This month's Special Gold Member call-in times for Lindsey's Insider Circle will be 9/26/11 from 2:00 to 4:00 pm. To schedule your appointment, contact Kristen at (251) 633-4070.

