

Mancuso's Tips for Writing a Business Plan

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Outline of Mancuso's Tips

- Tip #1 Pretend That Your Plan Will Be Read In Just 5 Minutes!
- Tip #2 No Such Thing as a Mini-Business Plan / Make Sure Your Plan Is Complete
- Tip #3 Emphasis the Most Important Part of a Business Plan
- Tip #4 the Best Method to Prepare To Write a Business Plan
- Tip #5 Aims for a Return on Investment (ROI) Of 44.8%
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Risk Reduction and The Answer Sheet

- + It's Just Like
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- + If It Goes Bad

Tip #7 The Best Way To Get Your Plan Funded? Get A Referral! – Also, Who Are The Right Investors?

- + Familiar with Your Industry.
- + Familiar with Your Opportunity
- + Eager to Invest
- + Have Money to Invest

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- + What Happens When Your Investor Turns You Down?

Tip #9 What Do Investors Examine First In A Business Plan?

Tip #10 Remember Mancuso's Magic Eight-Word Phrase to Negotiate for Money!
Remember you are not selling stock, you are buying money.

Appendix A (outdated)– Good business plan software Appendix C – (outdated)Top ten venture
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Biography

Let me tell you first that no entrepreneur ever said, “Goodie, goodie, I have to write a business plan.” What they rather say is, “Oh my heavens! I have to write a business plan and what I want to do is find someone to help me.”

That’s a good idea. You will find lots of people who make a living writing business plans or helping people write business plans and they probably can help you and that may be a good solution. However, the bad news is that an entrepreneur, the person raising the money, making the dream come true, is the person responsible for the plan; is probably going to do 80% of the work, even if he/she has someone help. Later, I’ll give you some sources of help. This will include good websites to find money and possibly post your business plan on the Internet.

But first, I am going to give you these quick ten tips...

Summary of the Tips

Here are the concepts I am going to present to you:

- One | It may take you six months and \$60,000 to prepare a plan, but I can read a business plan at the superficial level in about five minutes.
- Two | I want you to know there’s no such thing as a mini-business plan. All business plans have to be full, complete documents. A mini-business plan is the figment of an over-worked entrepreneur’s imagination. Just like Santa Claus. Make sure you don’t have any loose ends.
- Three | I am going to ask you questions: What is the most important element in a business plan? What should you really concentrate on? What do investors and venture capitalists look at *first* in a business plan? How can you make your plan better?
- Four | What is the best way to prepare to write a business plan, as this is my Tip Number 4? Should you use computer software or just excel? How do you best use your front-end time preparing to present a plan? [You may want to see my other article which will give you a complete checklist and a sample table of contents] Ask yourself, what does an artist do before he or she tackles her next terrific art project?
- Five | You should shoot for a score of eleven on a scale from 1 to 10, and you are going to learn that I believe you have to shoot for a plan that’s so good, it’s beyond being best. Your goal is to write the best business plan ever written, not to just to get the job done. Spectacular plans don’t happen by accident.
- Six | Know Who Your Potential Investors Are—and Write for Them. What’s the best way to find someone to invest, either for debt (bank) or equity investing?
- Seven | How to find people that are familiar with your industry and with your opportunity and want to invest. Do those same folks have money to invest? That’s an extension of my Point Number 6.
- Eight | Be Prepared to Answer the Toughest Questions. When you have your plan ready and you make a presentation, what are the toughest questions that you are going to face and how should you answer them? Why not practice this like presidential candidates prepare to handle sticky questions in a debate. Practice does not make perfect. Perfect practice makes perfect.

- Nine | what do investors look at first in a business plan? What are the important parts that get examined quickly? Why not put these parts up front even before the “summary”?
- Ten | I call this Mancuso’s Eight Word Phrase. I think you will like this concept, as it deals with negotiating with anyone for money. In essence, a business plan does this in writing.

I like this little saying:

“The men who manage men,
manage the men who manage things...
But the men who manage money,
Manage the men who manage men.”

This is my **only** poem but it contains a message.

The concept behind this poem is the pecking order of entrepreneurship, which is:

First.....Money
Second...Men
Third.....Things (machines)

Most entrepreneurs are great at managing things and pretty good at managing people (men). However, they are also seldom good at managing money. That skill takes a whole different set of traits. A Business Plan is a written communication between an entrepreneur and a money person.

The Tips

Tip #1: The Five Minute Test

It’s strange that it may take you six months and \$60,000 to prepare a plan, but I can read a business plan (and any experienced venture capitalist can read them) at the superficial level in about five minutes. That doesn’t seem fair does it? Venture capitalists could analyze and give you a quick ‘yes’, ‘no’ or ‘maybe’ on a five-minute read. However, no one ever said that writing a business plan was fair. It is true that a venture capitalist can analyze it on a superficial level in five minutes and 90% of plans can get tossed out in just five minutes.

If you can prepare your plan for a five-minute reader it’s a better plan. When your business plan is read in a five-minute process, if it’s efficiently presented for the reader rather than the traditional way business plans are written, for the writer, it’s a better plan.

Remember, I am not trying to give you the standard “boilerplate” stuff you may get out of other books or seminars on business plans, as I am trying to give you insights into the preparation of a **winning business plan** for equity investors (those are harder to write than debt plans).

What do I do when I look at a plan? I spend about a minute on each of these topics and that may be something to incorporate when you prepare your business plan. Here are the five topics, as each takes about one minute.

First minute...

I look at the characteristics of the company and the industry. What kind of a deal is being presented? Is it a software company, a restaurant, a real estate company, etc? Do I know anyone in the deal?

Second minute...

I find out the terms of the deal—Are they looking for \$1 million dollars or a half million, or \$100,000, etc? How much of the company are they giving up? Are they trying to borrow money or trying to attract an investor?

Third minute...

I read the balance sheet. I go right to the back of the plan, as most business plan's financials are presented in the back of the plan. I always thought you should have the financials on the front page, so I would not have hunt for them. If it is a start-up, I usually don't see a balance sheet. A balance sheet is a picture of a company at a moment in time. It's a snapshot and it is the single best document to examine in detail. Just like if you had a photograph in your business plan. It tells you an awful lot.

Fourth minute...

I determine the caliber of the people in the deal. Does the investor know anybody in the deal? Who are the key players in the deal? What different about this deal? If the key players all went broke and they couldn't do what they promise to do, what would happen?

During the fifth minute...

I thumb through the plan, as the investor probably has a minute left. Maybe the investor will find a letterhead he or she knows, or a sample or a name they recognize or a chart that looks interesting. What is different about this deal?

Tip #2: Make Sure Plan Your Plan Is Complete

There is no such thing as a mini-business plan. There is no such thing as a partial business plan. There is no such thing as a business plan that is 95% complete. All of these, along with the tooth fairy, are figments of an over-worked entrepreneur's imagination. This is a short tip, but it's vital. Your business plan can't be missing any element.

Please see my other mighty words article which offer a complete detailed checklist of all the Elements of a business plan. Plus, the article also offers a sample table of contents. Please See this material first because if all of those ingredients are not present, your business plan is Not complete.

Tip #3: The most important ingredient that you invest in is never the product, the concept or the marketing—**It's the people.**

Remember that the most important part of business plan is the people.

It's ironic just how few business plans take into account such an important element; even in my Business Plan archive (it's twenty years old) where I have business plans from companies like Federal Express, Pizza Time Theatre, Venture magazine, Shop smith, Xerox, Scientific Data Systems, Storage Technology, etc. (Don't forget I wrote this twenty years ago) I have all kinds of famous business plans in that archive. Even if you don't agree on the most important element in those business plans for these companies, you will agree they all excelled on the most important aspect of a business plan. Good plans do a good job on this important element. It's called 'the management team.'

For instance, a manager's resume is often buried in the back of the plan and they are boring and do not tell you anything important. Really, the most important ingredient that you invest in is never the product, the concept or the marketing. It's the people. So little in many business plans tell you about the people. Even the bad parts of the people.

Don't you feel better when a team of four or five people departs from an existing company and they have been working together for a while and they have launched a new thing? You feel good. The team already has proven they are good players, and they have proven that they can work together. You feel good when you invest in people from a winning team. Now that is what gets an

investor excited about a business plan. So the single most important element in a business plan is the people.

This doesn't just mean "W2" employees. Very often it means who's on your Board of Directors. Do you even have a Board of Directors? Who are your outside professionals? Who are the "1099" consultants, etc?

The speed of the leader is the speed of the pack. Who are your lawyers? Are they people like the Sonsini Firm in Silicon Valley, CA, which has been legal counsel for so many great companies? Or, are they some little guy (one person) that does a little real estate, a little martial divorce and a little entrepreneur stuff? Who are the accountants? Is it a "big 3" or "little 6?" Investors want to know all the way down the line, "who are the people?" and that is what you should stress in your business plan! Then go on to tell about their level of commitment. Then tell about how well this group of people has formed into a winning management team.

Among the management team, never think about the CFO as being an equal player. The CFO, the Chief Financial Officer is the one who communicates to the outside financial world. He or she is the spokesperson for the financial community. They want to know that person right away. He or she is more than an equal.

Do you know the difference in being a good leader and a being a great leader?

A good leader inspires people to have confidence in the leader. However, a great leader inspires people to have confidences in themselves. This reminds me of the story of two shepherds in the Middle East tending their flocks:

There are two types of shepherds in the mid-east. Each had a separate flock of sheep. The way the first shepherd keeps those sheep moving is by standing in the middle of the herd with a long staff. He nudges some sheep to keep them moving and when any sheep move away from the herd, the shepherd runs out to the edge and pulls them back to the flock. He keeps those sheep moving ahead like a herd of cattle. By the end of the day that shepherd is tired and sweaty, as he worked very hard.

The second shepherd has a long staff as well, but this time that shepherd walks about one-half mile ahead of the sheep at a nice, slow, steady pace. Soon the sheep grow accustomed to seeing his silhouette against the skyline and the sheep have learned to follow that silhouette. That shepherd at night isn't tired and sweaty, but well rested. That shepherd could travel a greater distance by being a great leader rather than just being a good leader.

How good is your team?
Are you a great leader?

The speed of the leader is the speed of the pack. Mark Zuckerberg, Bill Gates and Steve Jobs have already proven this in today's world.

Tip #4: What Is The Best Way To Prepare To Write Your Business Plan?

Should you purchase business software? The answer is yes.

There are many sources of good business plan software—and I list them in the Appendix A. Sadly this is now outdated and I won't update it for this rewrite.

Whether or not you choose to purchase software to help you write your business plan, the key to writing a solid business plan is to read about a dozen business plans from other companies before you sit down and prepare yours. I find that gives you the greatest help.

Look at their outline. Look at their table of contents. Look at how they present their information. Remember I asked you what does an artist do before tackling his next great art project? You will see them in Soho in Manhattan going from gallery to gallery gathering ideas. Sometimes I go to the many, many art galleries to look at the people observing the art. I really don't know a damn thing about art but I do enjoy watching those that do know something about what they are viewing. I do the same at museums.

Again, see my complete checklist and table of contents in my other mighty words article. In the back of three of my other twenty-seven books, I offer a dozen "old fashioned" business plans just as they were written, unedited. Get all that material together before you sit down to write. It'll save you time in the long run and it'll also make your job of writing a whole lot easier.

Tip #5: Remember the 44.8% Rule

How do you price the equity in the plan? Nothing is more important than pricing at the frontend of the work of preparing a business plan. Software often prices it for you. But you don't want to trust something this vital to software. Well, let me give you a benchmark. If you are raising venture capital, you will need this rule of thumb. Obviously, if you are doing a debt plan, you are going to show how you are going to pay back the loan.

However, if you are preparing a venture capital plan, how do you decide how much equity to surrender? A venture capitalist is seeking six times their money in five years. Usually they like to exit in five years and six times their money is about the amount they are seeking. Now that works out to an annualized return on their investment (R.O.I) of about 44.8%. If you have a plan that's going to show them a 15% or 20% return on their investment annually, the venture capitalist can do that in the stock market. Today, in the last ten years, you probably can do even better than that with the Federal Reserve making money "free".

You have to show a business plan that offers better capital appreciation (growth) than what can be achieved by investing capital in a more conservative and liquid investment. On the other hand, you have to decide whether you want to show a 200% return on capital, every year for five years. Do you have the greatest thing since sliced bread? Is this return realistic? Do you want to try to live with those kinds of projections? So you'll find that business plans which offers about a 45% or 50% promised growth or capital appreciation per year are about on target.

Check out Popular Venture Capital & Business Plan Websites in Appendix B (Unfortunately now outdated)

Tip # 6: When you are preparing the plan, shoot for an eleven on a scale from one to ten. What's an eleven?

There are two things that a makes a plan move from a score of 6 or 7 to that magic category of a 10. After that I will tell you about an eleven.

The first way to make a business plan financially viable is to **Reduce The Risk**. When the risk is zero, money flows. The best way to reduce the risk is answer all the negatives. If you don't answer all the negatives, there's seldom a money transfer, as there's too much residual risk.

My old joke on this topic is: "It's not so bad to invest in a liquor store because if you take the liquor store's inventory as collateral and lose all your money, the worst thing that can happen to you is that over the next 15 years you will have to "drink" back all your investment."

That joke stands the test of time. If a venture capitalist invests into your company, what's the worst thing that could happen? Do they get to own a building? Do they get to own patents? Or are they left holding the bag?

Risk Reduction:

The best way to reduce the risk is to work with someone who hates you. Someone who thinks you're no good at all and have them ask you ten tough questions. They can ask you:

"What about person A?"

or

"Did the last company that you were in go bankrupt?"

"Do you have a management team? Is it just you alone?"

"Your management team is looks good, but have any of them worked together before?"

"Is your competitor's product faster? Cheaper? Does it last longer?"

What you want to do with those ten tough, mean questions is answer them. You will want to listen intently to the question and then you must thoughtfully answer it. Its better that you answer the question upfront in a business plan, rather than have someone confronting you later. That's what you call a winning plan. For everyone of the tough question, you develop a clear and convincing answer, as a concise answer turns the problem into an opportunity. When risk is zero money flows.

The Answer Sheet:

The second way to take a '9', '7' or a '6" and make it '10' is to have something I call an Answer Sheet. What is an answer sheet? Remember back in school when you went to take an exam and you didn't study the material? Wouldn't you have liked to write on your sleeve all the answers to the questions on the exam? Well, an answer sheet is similar to writing all the answers in the palm of your hand for your tough test. It gives you all the answers, so you don't have to study the books and be present at all the lectures.

Here are a couple of examples of an answer sheet:

- It's Just like... •

First, if you say in your business plan that your venture is just like Company A, that's been hugely successful, that's an answer sheet. Baidu and Google. Or you say Didi Kuaidi is just like Uber. They are the same thing in two languages. For instance, when Microsoft went public, and it all went well, if your business plan was "just like Microsoft," an investor doesn't have to analyze all the material, as they could just say, "Hey, I missed Microsoft! I would like to get in on this one, now." Or if your business plan is just like America Online (AOL, founders were CEO CLUB members) or any other successful company, or if you can point to something successful and show the parallels of your business to that business, it's easier on the investor. It's what Silicon Valley calls a "no-brainer".

- Deep Pockets •

Second, an answer sheet can be someone with "deep pockets."

If one of America's top venture capital firms is already in the deal and they're the main backers, that's an answer sheet. They would surely not let their investment go bad, would they? If the Rockefeller Brothers was putting their money in—that's a pretty good deal. If Bill Gates is putting his money in a satellite telephone deal, why don't you put your money in? There's comfort in knowing your investors have deep pockets. Keep in mind that the people that were born with deep pockets are also simultaneously born with short arms. I'm not here to give you any humor, as I want to focus on my tips, so I have also include a list of the current top ten venture Capital firms.

[See Appendix C for the List] (Sorry this is outdated now)

- If it goes bad •

And the third technique to develop an “answer sheet” I call; if it goes Bad.

If there’s a way out—if there is a logical purchaser of your technology by some other company, that’s an answer sheet. For example, if AT&T is just dying to get their hands on this kind of technology or if somebody is trying to do what you have done, then an investment in your business takes away some of the investors risk. After all, if you’ve shown the investor an easy exit strategy that’s even better than having investors with deep pockets.

If you have a wonderful answer to the question, “If it goes bad...?”--you’ll also take a seven or a nine and convert it to a ten and maybe into an eleven.

It’s a funny about entrepreneurs; as whenever they’re dealing with the future, remember the little saying “**entrepreneurs would rather beg for forgiveness than ask for permission.**” Entrepreneurs do not like to tell you everything up front, as they hold back certain information by their nature.

At this stage, if you really want to get financing, you have to have full disclosure. If you had a problem before, you don’t want that to show up on the day of the closing. If you had something that was unspoken that you don’t want to show up at the last minute, it’ll destroy your financing. You want to put every negative possibility in the plan. This will increase your chances of success. You’re better off with full disclosure all the time rather than “turn an issue on its side” and not face it head on.

Tip # 7: How Can You Improve Your Chances Of Getting An Investor?

I would love just to have the postage, just the postage, for all the people who bought venture capital directories, wrote a cover letter and mailed the cover letter and the business plan together to several hundred venture capitalists and received a zero response. If I just had the postage from all those mailings, I’d be a happy camper, as this method just isn’t going to work. Or, the chances of it working are so small that it’s a waste of time and money.

You are not going to like this next tip I am going to share, as it focuses on the numerous Internet sites where you can post your business plan. They are like dating services where you put up all your criteria and someone else puts up all their criteria and a computer is supposed to find you the perfect match (mate). For example, if someone is looking for some specific type of investment, maybe they can find it on one of these sites. This posting can help, but it’s what’s called “a long shot.” Of course, if you believe such a listing can’t “hurt you,” there is little downside to trying to find a match. I am not talking about crowd funding, that’s a different separate subject.

I can’t say they won’t work 100% of the time. It’s just the odds are well against you. [Please see my listing of such websites in Appendix B] **Update**: some of the sites like Indiegogo and Kickstarter are a good source of crowd funding but this article was written twenty years ago and times have changed.

Here is a way you can prove my point, if you will conduct a survey, as we do here at the CEO Clubs, of all the venture capitalist in the world, you’ll agree with me. There are about 1000 firms who claim to be venture capitalists. Certainly, there are many more people who are “angels” rather than institutional venture capitalists. These friend and relatives that are nicknamed angels also put money into small deals. They are several hundred thousand angels while there are about 1,000 actual venture capital businesses.

What the survey will tell you is that last year how many businesses did you invest in that came in blind without a referral. The answer is almost always, **none**.

For instance, with the nonprofit Chief Executive Officers’ Club (CEO Club), we have something called a Mentors PAC (Presidential Advisory Council). Just in the Mentors PAC alone, we have about 20 CEOs who have built and sold several major companies. That group (we get together 3

times a year for 3 day weekends) is an example of what is so great about this country and what makes America separate from other countries. We have this history of CEOs and entrepreneurs who make money from building businesses from scratch becoming the best sources for investments in new businesses. Today, see the TV program called shark tank. Today programs like shark tank are more easily recognized names. If you go to other countries, you won't find the same infrastructure and you won't find something like the CEO Club or the Young President's Organization (YPO) or Center for Entrepreneurial Management (CEM) that provides infrastructure. You won't find as many small business magazines or websites, all of which helps to build angel infrastructure.

Once you get passed the "angel" stage, then the second stage, the institutional investor, eventually brings you to a public offering in the raising-capital process. This is the classic American sequence for raising capital.

From my experience, dealing with these "dating services" just doesn't work at a sufficient level to warrant your efforts.

What is your best choice to get a business plan funded? Ask any venture capitalist how many business plans they invested in that came in "over the transit," which means without someone bringing it in. What you will find is that none of the business plans that got financed came out of the blue. The winners all came in from a referral. It seldom happens that an investor suddenly receives a business plan while they were sitting around the office and they discovered it was the greatest thing since sliced bread. The investor called the entrepreneur and begged to give them money. It just doesn't happen that way in the real world.

My suggestion is to first secure a directory of venture capital sources. You can use the internet. Find out from the venture capital directories, which firms are doing deals in your area of business. Your trade press can also give you names.

Now, if you have a venture capital directory and you express interest in being one of their investors, they will supply you a list of their portfolio companies. Those are the business they already have invested in.

Once you examine their investment portfolio, if you find that the venture capital firm has six software investments right up your alley and you're a software company, that's good for you. If you find out that they have six real estate deals. Maybe this one's for you. First, you don't call the venture capitalist; **you call the entrepreneur that's already received an investment**. You say to them, "I see that you received venture capital from New Enterprise Associates and I have a company that needs some help. I am putting together a board of directors and I wonder if you work on Saturday?" Of course entrepreneurs work on Saturday. You don't ask them about Sunday, as they work on Sunday, too. "I would like to swing by your place on Saturday, as I am writing my business plan. I would appreciate if you would take a look at it." Pretty soon you will invite them to be on your board of directors. Now, that entrepreneur is helping you with your business plan and is a member of your board of directors and is familiar with your business and industry.

Do you know what he or she is going to do? He or she is eventually going to say to their venture source, "You know, I found a good opportunity that you might want to take a look at." So the game plan is not you finding an investor, rather what you need to find is an entrepreneur who an investor has already put some faith in and then you transfer some of that faith over to yourself. The CEO CLUB is a great place to find these peoples and try to sit next to one of them at the lunch. Then you show that investor a completed business plan that rates an eleven on a scale from 1 to 10. *It's all over but the applause.*

Know Who The Right Investors Are For You.

When searching out a venture source, it's important that you quickly focus on locating the sources most likely to arrange capital for you. Making a thorough presentation to a venture source can be an exhausting process, so there's little point in wearing yourself out trying to sell to the wrong person. You need to locate the right person to have any hope of selling the business plan.

There are five categories of potential investors for every venture capital deal.

• 1 •

People who are familiar with you, your product and your industry.

• 2 •

People who are familiar and have made money with you, your product and your industry.

• 3 •

People who are familiar and have made money with you, your product and your industry and have money to invest.

• 4 •

Gap Analysis—A financial source that is over invested in certain industries. He is seeking initial investments in new industries.

• 5 •

New Boy on the Block—Dozens of new venture funds are being formed every year. Each fund has to have a first investment, and it's easier to be the first investment in a fund than be the last.

These five categories are windows of opportunity for those seeking venture capital. And while no hard statistics exist, my estimate is that the appeal of each of the five is as follows:

1	10%
2	25%
3	50%
4	10%
5	5%
<hr/>	
Total	100%

In other words, 25% of all completed venture deals would fall most closely into category 2, While 5% would most readily fall into category 5. But each of these five categories of reasons to invest are equally viable to the entrepreneur beginning a search for capital.

The CEO Clubs, which I founded in 1977, non-profit membership associations for CEOs and entrepreneurs that is 35 years old has put together as of July 1st, 2000, a venture capital portfolio and we have several million dollars. Actually, it's closer to \$3 million with \$7 million kicking, so we have about a \$10 million portfolio. Well, on July 1st, 2000, the good news is that we haven't made any investments. (Some day, in another book, I will tell this story)

What would you rather be, the first investment the CEO Club Investment Fund makes out of their pool or the last? You see, on the last investment, we will probably need to really do some extensive due diligence to cover some of the mistakes that we are going to undoubtedly make on the prior investments.

It's often attractive to be the first investment in a venture capital portfolio, as investors have this "pile of money" and it start to burn a hole in their pockets. So one of the strategies for an entrepreneur that is looking for an investor is to look for new pools of untapped money. They are a little easier to deal with, on average, but about half of the deals fall into category number three.

Tip #8: Be Prepared for the Tough Questions before Submitting Your Plan

There are several tough questions that you should practice before you see an investor when submitting a business plan:

The first is “What business are you in?”

The second is “How good is your business plan?”

I am going to hold the third one for just a minute, as that question is the zinger.

Well, if you can't answer the question of what business are you in? Or what is your mission statement? You ought not even be a CEO, never mind be writing a plan. You should have that committed to memory.

For instance, the CEO Club is a nonprofit membership association of CEO and entrepreneurs dedicated to improving the profitability and quality of their enterprise through shared experiences and personal growth. I can say that so fast that you know darn well I wasn't reading it, as I have committed that to memory. After all, I am the CEO of the CEO Clubs. I also say, we are a group of CEOs who are making money and having fun while we are learning.

If you don't have your mission statement committed to memory, you shouldn't be the CEO, *as the speed of the leader is the speed of the pack.*

Now, the second question, which is a little trickier, is how good is your plan? When you are presenting your plan, you really are sort of playing dodge ball. You know, the venture capitalists stand around in the circle and you're in the middle of the circle as you're making your presentation. You have to be nimble of foot. You have to be ducking, bobbing and weaving all the time.

When they ask you the question, “How good is your business plan?” If you don't say it's perfect, you are not going to get the investment. The dodge ball has just bounced off the back of your head.

Who wants to invest in a business plan that is a nine, not me? Why don't you go back and make it a ten? Why don't you go back and make it an eleven?

An investor will reason she doesn't need to invest in any more nines, as he or she has already invested in enough of them. So your answer to that question is that your business plan is perfect. It's just what you want it to be and I think you are going to find that other people will agree with me.

So, you have now answered two of the three toughest questions.

Now, the toughest question—But first...

Please remember the person asking questions is in control. When you are at this stage (Mancuso's tip number 8), of your dialogue with the venture capitals investor here is what to remember, if you play dodge ball for an infinite amount of time, sooner or later, you are going to get bounced off the back of the head by some venture capitalist that is going to ask you a question that you weren't anticipating. You want to go into the game armed with questions of your own. Before I ask you the tough questions, you will want to develop a list of questions to ask your venture capitalist. Here are some sample questions:

- + Ask them for a list of their past investments, the names and addresses of the entrepreneurs in their portfolio.
- + Ask about their most successful investments and why they were successful.

- + Ask about the unsuccessful ones and why they were unsuccessful.
- + Ask about the nature of the venture capital fund. Do they have government monies (SBIC)?
- + What is the length of their partnership maturity? How long is it good for? What happens when the partnership ends? Is it a seven-year fund like most or a five-year or ten-year fund?
- + How long has your contact been a venture capitalist?
- + Ask about the depths of their pockets. How far will your venture capitalist go to get support for your investment?
- + Will your venture capitalist help you secure other investors for your investment? Do you have access to your venture capitalist limited-partners—the one who invested in your venture capitalist? Do your venture capitalist's limited-partners normally piggyback on your venture capitalist's investment?

Those are a few questions for starters.

As a further example: the CEO Club Investment Fund, (where CEO Club members have pooled money), wants its members to piggyback on deals the CEO Club Investment Fund supports. That's a nice combination—so if we are placing \$500,000 or a million dollars, someone's that an investor in our fund may want to piggyback and put in an additional \$100,000 or \$200,000. Usually, they do it on the same negotiated terms.

Ask why you should deal with them. Don't always be on the defensive. Ask what other venture firms they like to team up with, as to get a better 'flavor' on where they are going with this investment. What type of investor is your venture capitalist's going to be: active, passive—follower, leader, board seat, etc.

Finally...

Let me ask you the toughest questions you are going to have to answer. And you are going to discover I am not going to do a complete job of giving you answers on how to handle them. However, I am going to give you clues, which is not bad. The tough questions a venture capitalists are going to ask you is:

"Who else have you shown this deal to?"

Unfortunately, that question is like the question, "When did you stop beating your wife?" There is really not a good answer for this question. As you will see, who else have you shown your deal to goes like this—if you say you've shown it to Kleiner, Perkins and Caulfield—what are the venture capitalists going to say?

"Well, let me know what Kleiner, Perkins and Caulfield thought of your deal and if Kleiner, Perkins and Caulfield are interested, you come back to me." Right away, you gotten yourself into a "pickle" and just received a postponement by the venture capitalist.

Now, let's take the other extreme answer to that question—"I haven't shown it to anyone, as you are the very first venture capitalist I've shown it to." The other extreme answer to the question depends how credible your answer is and why **are they** the first one that you have shown it to? A venture capitalist doesn't want you to "shop" the deal. However, they want to know that your deal is appealing. Do you see what I mean when I say this is a tough question? You must always tell the truth but in this money raising business, the truth occurs at multiple levels.

Here is one way to handle this difficult question. You should be in a venture capitalist's office not looking for a 'YES', as getting a 'YES' early on in the venture investing game is almost impossible, as venture capitalist are skilled at saying 'MAYBE'. Venture capitalist will get up in the morning saying, 'MAYBE'. Bankers on the other hand, just get up in the morning saying, 'NO'. Entrepreneurs are experts at saying "yes". However, venture capitalists are known to be the

world's greatest maybes—As this 'MAYBE' maybe true. If everything came together and you had everything going your way, maybe they'll invest. Therefore, your job is not to get a 'MAYBE' but a short 'NO'.

A long 'NO' is much worse than a short 'NO'. Your job in your early interviewing process, now that your plan is being presented, is to get a short 'NO'. You tell your venture capitalist that they can look at the plan for let us say a week, if they are not interested, I want to have a 'NO' by the end of the week. If you want to give me a 'MAYBE', you can let it sit. If it's a 'MAYBE' you should be free to take it to other sources. What you don't want is a venture capitalist to sit on your deal for three to six months saying they're interested. What you need is an investor, someone who will take the lead.

Fred Smith—An Entrepreneurial Legend/Federal Express

Let me digress a little more, to relate my favorite old story about the venture capitalist and an entrepreneur in the late '60s and it's one of the classic stories, even at 60 years old. This gentleman was a speaker for the CEO Club in the 1980s. He's one of my personal heroes and he's the gentleman who still runs Federal Express. His name is Fred Smith. He started that company and even today my hero still runs it. A rare, rare talent. There's a lot of humor and legend surrounding Fred. Some people say the Federal Express (FedEx) investment changed the American Venture Capital Industry. This one venture investment was consummated because of Smith's persuasive techniques. Most earlier venture investments, such as Digital Equipment (DEC), which was invested in by American Research & Development, a venture capital firm in Boston, MA, headed by General George F. Dariot, had one venture capitalist firm investing in one company. What was unusual about FedEx is they had a little bit of money from everybody in their deal and that's one of the ingredients that spawned the current U.S. venture capital industry. They remain a legend.

The success of FedEx spurred additional venture investments in other companies. If you don't know the numerous stories about Fred Smith (I have his original business plan in my archive) and how he raised a hundred million dollars in 1970, which would be a billions dollars today, you should read some of my other books. And the way he did it, according to legend (and there are many stories about this great entrepreneur) you are missing some vital background information. Legend says the way he did it was to never ask any one investor to invest the first million. The joke is he asked every investor to invest the last million saying, "I already have \$99 million committed." Actually, the way I heard it was that he says, "I have a \$100 million already committed,

But you know, why don't you come to the closing anyway, I'm sure someone will drop out. With a hundred investors, you never know if someone is going to drop out and you'll be the first person on the waiting list." The joke goes on saying, "Mr. Smith, how many investors did you tell that to?" Fred Smith says, "All of them!"

Does that give you the flavor of what you have to do to raise money? In fact, the best 'Fred Smith' jokes from that period—people would always tell me that same joke. The first time I heard the joke, I didn't think it was funny. Even though I probably heard the joke about 5,000 times in my life, it never became funnier. However, there's a message in the joke and that is why folks repeat the joke, even today.

The joke goes as follows:

There were three people on an island when suddenly there was an announcement that the island was going to be annihilated with a nuclear bomb. There was an old wino, a young couple and a gentleman (a young kid from Yale, 29 years old, named Smith). When the announcement came over the loudspeaker, the wino quickly grabbed the bottle of Gallo wine and he said, "I'm going to spend the last five minutes before this nuclear disaster, enjoying myself with a bottle of old Gallo wine." The young couple said, "We are going to spend those five minutes enjoying ourselves, alone in the bushes." And finally, this crazy, young kid from Yale (*by the way his college professor*

gave his business plan for FEDEX a "C" grade) stripped off all of his clothes and ran to the water's edge and started splashing and diving, going underwater. The others came running to the edge of the island and they shouted, "Smith, what are you doing?" Smith popped his head up and said, "Look, I can't talk to you now—I am learning how to breathe underwater."

Why this joke is so important is what the venture sources really want to know is *what is your level of commitment to your deal*. Is this one deal out of many or is this deal your whole life? Have you invested every penny you own in the deal or do you have a secret stash of emergency money?

Now, I'm ready to move to my ninth and tenth tips, and my final concepts.

But before I do...

As you'll recall, I suggested you get a 'No' rather than a 'YES'. In addition, I taught you how to get a quick 'NO' rather than a long 'NO'.

What happens when your investors turn you down?

Let me tell you what happens when a venture capitalist turns you down, as this is not the very worst thing that can happen to you. Actually, the worst thing that can happen to you is to have a venture capitalist "drag you out" and give you a long 'NO'.

First

Confirm that the venture capitalist is turning you down. Say, "Does this mean that you don't want to participate with me at this time." After that, why not sell for the future? "Can we count on you for the second round or third round, after we have completed the first?" You never want to turn down a source of money totally. You always want a venture capitalist thinking about the next round and the one after that. Money raising is a process not a one-time event. Good time to ask what was the best deal you mistakenly turned down?

Next

Find out why you were rejected. "You are not participating just because this is an industry that you don't like? Is the deal too big or small, timing etc.?" Remember this, its kind of the key concept to all of Mancuso's tips. You are not really asking for money from a venture capitalist—you are really asking for advice. The secret in this money-raising business is to never ask for money—**always ask for advice!** However, don't worry because money always follows advice.

You just have to take more advice than you ever imagined before you get the first dollar.

When you are turned down by a venture capitalists say, "If you were in my position, what would you do?" You may ask if they can suggest someone who may do deals like the one you are presenting. You should ask for the name of the venture capital firm and ask whom should you should speak to. Why should you speak to this person? What kind of referral are you giving to me? Why do you think this is the best person to speak to? Work on your introduction. Who would be the best person to introduce me to this venture capitalist?

Should I just call him/her on my own or could you call them for me? Can I tell this venture capitalist that the decision that you turned the deal down was based on what you just told me? What will you tell the venture capitalist when he/she calls you?

Tip #9: What Investors Examine First In The Business Plan

What's the most important part of a business plan? What should you really work on? What do investors look at first? What would you look at first in your own plan? You already heard my

outline on the five steps of what they look at to determine the terms of the deal: the caliber of the people, the industry, etc. You know a proven management team is crucial.

The executive summary in the front of your business plan that is usually two pages is where you give your succinct sales pitch. I always read it but never with any believability. The most important parts of the business plan are the balance sheet and the management team. The balance sheet tells you what's been happening to the money in the deal. What kind of cash position you are in, etc. The management team tells you who will steer the ship.

However, the balance sheet tells you the vital financial information about your business plan. If the balance sheet tells you everything about your business plan, you wouldn't want to present it in the back of the plan in summary form, would you? Show it in its full form with the full notes (footnotes) the same way accountants provide for public companies. Reading a balance sheet is useless, unless you have all the notes pertaining to your balance sheet. Very seldom do you see balance sheets that have good, clear, understandable financials. A venture capitalist typically has to conduct a line item analysis and ask you to clarify each item. If you had good notes (footnotes) with your balance sheet, with your financial statements, if they were clean and crisp and the venture capitalist never had to ask the presenter a question, you would have a business plan that makes Mancuso's point number nine moot.

I can't stress how important your financial statements are and presenting them in a clean, crisp way. That communicates to the outside investor that you understand the importance of financial reporting. In addition, it tells the venture capitalist what they want to know.

How much money have you personally put towards your deal? Who is personally guaranteeing what debt? What is the real story behind your business plan? If a venture capitalist has to dig that information out of a business plan, you haven't done your job. After all, a presenter usually has only five minutes to communicate the story. Do you really want a venture capitalist to spend those crucial five minutes digging the information out or would you rather the key information be easily available, so the venture capitalist can determine their interest at the beginning of your business plan?

And now Tip number 10...

After which, I am done and you can begin that awful, dreadful task of writing a business plan. This tip is called **"Mancuso's Eight Word Phrase" that will close any financial negotiation that's closeable**.

Tip # 10: The Secret to Raising Capital

Here's the situation. You've been in a financial negotiation for three months, but the deal just won't close. You've got a terrific business plan—even your venture capitalist admits that—but no matter what you do, you just can't come to terms. So now you're meeting for the umpteenth time, and half of you is thinking, "Maybe I should just get up from the table and leave the room, I'm just wasting my time." But the other half of you is thinking "I've got three months invested in this negotiation; they've got the money; they like my plan; I'd be a fool not to stick it out." What do you do? Well, there's a eight-word phrase that will help you close the deal. But before I tell you what that eight-word phrase is, I need to show you how and why it works.

The biggest mistake an entrepreneur can make in dealing with a venture capitalist is to lose sight of what the venture capitalist is really after. It may sound like he wants too much equity or too much control, but what it really comes down to is money—his job and his goal is to make profit on his investments. So when the venture capitalists make what you consider an unreasonable offer ("Just give me my terms and we're ready to go"), you don't have to panic. You don't automatically have to give up control of your business in order to get financed (which is what it may sound like when he says "my terms").

But what do you try next? Do you shop the deal around, hoping to arouse enough interest to play one source off against the other? That might be a good ploy, in theory. But in reality, you have to remember that you're playing on his turf. And shopping a deal around tends to alienate venture capitalist rather than entice them, more often than not.

That's because as special as you may think your company is chances are the venture capitalist has seen, and maybe even turned down, deals similar to yours in the past. Getting your business off the ground might be your dream, but the art of raising capital isn't the art of selling dreams. The art of raising capital is the art of reducing risk!

When you're back is to the wall, what you want to be able to say is "the risk on this deal is zero—the down side is zero! Now let's talk about the up side." The following are some examples of what I mean by the up side.

Land Sales

I have a piece of land up at Cheboque Point, in Yarmouth, Nova Scotia—a piece of oceanfront property. This is a good example because it's true. I bought the land 18 months ago, and it's really a gorgeous piece of property. If you take the ferry up from Portland (Maine) you can walk to it from the dock. Eighteen months ago, I paid \$100,000 for this property (100 acres), but then a few months later, I needed some cash, so I decided to sell off a piece of it. The first thing I did was divide it into two parcels of equal value. Next, I put one of the parcels on the market. So how much do you think the asking price for it was? Before I tell you, I want you to guess. Remember, 18 months ago I bought the full 100 acres of land for \$100,000.

If you guessed \$100,000, you guessed right. And what this illustrates is perhaps the single most important thing to remember about investors. An investor's foremost concern in making an investment lies in getting his money back. Investors aren't just in the business of making investments; they're also in to business of recouping their investments.

Gambling

Here's a second example. Did you ever watch the gamblers in the casinos in Las Vegas or Atlantic City? Most of them are sensible enough people—when they're at home. But put them at a slot machine or a crap table and they go crazy. But if you watch long enough, you'll notice that a funny thing begins to happen with some of them. At about two or three o'clock in the morning, they pull all the money out of their pockets and put it down on a table and count it.

Then they divide it into two piles and they put one of the piles back into their pocket. Then they continue to play with the other pile of money. So what did they put back into their pocket? Cab fare? The money for a phone call home? No. What a smart gambler put back into his pocket is his initial stake—the money he came in with. The other money is house money.

Venture Capital

In the third example, I'll show you how the best money-raisers in the world raise money. And who do you think are the best money-raisers in the world? No, not politicians, and not the banker's brother. The best money-raisers in the world are the venture capitalists. A successful venture capitalist can pick up the phone, and in under an hour, raise 100 million dollars. Most entrepreneurs have trouble getting someone to co-sign a ten-thousand-dollar note, but a venture capitalist can raise 100 million dollars in under an hour. Why can a venture capitalist raise 100 million dollars in under an hour? Why is a venture capitalist so successful when it comes to raising money? The answer lies in that same eight-word phrase I mentioned before. And after one more example, ***I'm going to tell you what those eight words are.***

I speak at a number of conferences where venture capitalists are assembled, and it's always interesting for me to watch two of the giants come into a room and meet. And when they do meet,

what do you think they say? Let's say that Bill from Widget Venture runs into Frank from Mega Venture. What do you think they talk about? Does Bill say I made 600 million in the last quarter? Or does Frank say that my average annual rate of return for the past 17 years has been 41.26 percent? Or do they just say hello, and leave it at that? No. What they talk about is the success of their last fund.

Widget Venture may run four or five different funds of 100-200 million dollars each, but Frank from Mega Venture is only really interested in Widget's last fund. The rest is already history. So Frank may say, "I understand you put together \$120 million for Fund #6. Is that true?" And Bill will say, "Yes, that's true." So Frank will ask him, "Well how long did it take you to get your principal back to his partners in Fund #6?" And Bill might answer, "Eleven months." So then Bill will ask Frank how long it took Mega's last fund to get it's principal back to his partners. And so on and so on. The only thing that venture capitalists ever compare is how fast they returned the original investment back to their partners.

Mancuso's Magic Eight Word Phrase

When the gambler puts his original capital back into his pocket he's doing the same thing that the venture capitalist does. He returns the original investment and continues playing on his winnings. (Funny money). Of course the venture capitalists are a little more sophisticated. They raise their money in ten-year limited partnerships. But their strategy is the same. They try to rush the original investment back to their partners as soon as possible, and then they "play with the winnings" for the balance of the ten-year period. The partnership has to wait the full ten years to get their winnings, but they get their principal back right away.

The main point here is that no matter who the investor is, his first concern is getting his initial investment back. So when a negotiation seems like it's come to an impasse, the eight key words you have to say to get the signatures on the agreement are:

"You get your money back first and then..."

Nothing else that you could possibly say will strike closer to the heart of a venture capitalist than these eight words.

The Initial Public Offering (I.P.O)

Now let me offer you one last example. Let's say a young company goes public at ten dollars a share, but a few months after the Initial Public Offering (IPO), the company runs into some problems, and the stock drops down to five dollars a share. All of a sudden the entrepreneur is breaking her back to get the earnings and the stock price back up. And after a superhuman effort, it seems like she's succeeded, because the earnings have reached, and even begin to exceed, the original projections. But after a slow climb back up, the stock price hits ten and then just sits there. Why? Because despite the strong performance, the stockholders (investors) remember the initial setback, and when the stock gets back to its original price, they all bail out. It's what's known as the "jump-off" point. Independent of performance, the initial investors bail out, and the stock price gets hung up at ten. And this further illustrates the same principle I've described in the other three examples: the investor is adamant, almost fanatical, about recovering his initial investment. In this case, he isn't left with any winnings to play with, but he's recovered his initial investment and he's ready to start all over again.

Despite the very different approaches of these three categories of investors (the land owner, the gambler, and the venture capitalist) their thinking is the same—protects the original capital. That's why selling dreams will never work with a venture capitalist. He wants to make sure the risk in his investment is held to a minimum. He wants to be assured that his original capital will be protected. So, after you've tried everything you know to close a deal and it still seems to hang up on a few points, try my little eight-word phrase and see what happens. And always remember that, as great as your dream for your company may be, you're on the venture capitalist's turf. You

have to talk his language, not your own. So talk about his dream. Tell him “*You get your money back first and then...*”

If you're structuring a deal, any kind of deal, keep in mind this concept: structure a way to fulfill the investors' needs. That fits the downhill profile that always a better opportunity for investors. They love it when the first money goes back to them. They get their principle back. After all, what's the money sitting there in Atlantic City on the table, with my friend smoking those cigarettes? That's the winnings—winnings money, funny money. It's different than your original investment. Have you ever heard the statement, “A fool and his money are soon parted.”

People feel strange about their original investment and cavalier about their winnings. They don't mind playing with their winnings. After all, they stay and play with their winnings all day. That's how gambling has succeeded. That why Las Vegas and Atlantic City and Macau are so successful, because of this phenomenon called, 'Worry About Your Investment.' When you do hit the winning streak, don't worry; have a little fun while you give it all back.

When you structure your deal, remember that when we put the CEO Club Investment Fund together, the CEO Club shares in some of the successes in this fund. However, I knew that a good deal is one where all the investors get all the original investment back first. So when we put that fund together, I structured it in such a way that all the members received their original investments back before the CEO Club got one penny. Don't you feel good about somebody who made sure you got your principle back, as that's what it is all about!

When you're building your business plan, keep in mind the needs of the investors. That'll make you business plan a plan that's written for the reader and not writing for the writer.

I hope you've enjoyed my 10 tips. I hope to meet you at a CEO Club event soon.

All the best,

Joseph R. Mancuso

SADLY ALL THESE SOURCES ARE OUTDATED BUT I INCLUDE THEM ANYWAY

APPENDIX A

Should you purchase business software?

One of our CEO Club members in Los Angeles, Harvey Goldstein, has an excellent package of software called “Up Your Cash Flow.”

Contact:

Harvey A. Goldstein,
Singer Lewak Greenbaum
10960 Wilshire Blvd., Suite #1100
Los Angeles, CA 90024
310-477-3924 Fax 310-478-6070
hgoldstein@slgg.com

Another one of our Club members, Dr. Robert Ronstadt, has an excellent business plan software package called Ronstadt's Financials. He is the head of the entrepreneurial group at the University of Texas in Austin.

Contact:

Robert Ronstadt, Director
IC2 Institute - Univ. of TX. @ Austin
2815 San Gabriel
Austin, TX 78705
512-475-8927 or 512-475-8900 Fax 512-475-8902 or 512-
475-8901
rr@icc.utexas.edu

Another member, Burke Franklin, makes a business out of selling this type of software. He has sold over 500,000 units of his software call Biz Plan Builders.

Contact:

Burke Franklin, CEO
JIAN
1975 El Camino Real
Mountain View, CA 94040
650-254-5600 x127 Fax 650-254-5640
burke@jianusa.com

Other software is available for this job and it is advertised commonly in these small business magazines:

Entrepreneur Magazine
2392 Morse Avenue
Irving, CA 92614
949-261-2325
Fax 949-755-4211
www.entrepreneur.com

Inc Magazine
38 Commercial Wharf
Boston, MA 02110
617-248-8000 or 617-248-8442
editors@inc.com
www.inc.com

Scott DeGarmo, Publisher
House of Business
928 Broadway, Fifth Floor
New York City 10010
212-358-0486 Fax 212-358-0492
pulisier@houseofbusinessmag.com
www.houseofbusinessdirect.com

Ripley Hotch
Success Magazine
150 Fayetteville Street Mall, Suite 110
Raleigh, NC 27601
919-807-1100
Fax 919-807-1200
www.successmagazine.com

Red Herring Magazine
1550 Bryant Street,
Suite 450

San Francisco, CA 94103
415-865-2277
www.redherring.com

Darlene G. Rominge
American Venture Magazine
621 SW Alder, Suite 630
Portland, OR 97205
503-221-9981 Fax 503-221-9987
avce@aol.com

APPENDIX B

You'll see on our website, www.CEOClubs.org, we have some of the past issues of our monthly newsletter (free of charge), available were we mention people who help you write business plans. There's a company called www.NVST.com, which is a business plan "polisher" that you may want to contact. There are many other sources, as well. Please see my sidebar on this topic below:

Popular Venture Capital & Business Plan Web Sites:

- + Trade.com: a Division of BlueStone Capital-see Business Plan central
- + AngelStreet.com
- + UniversityAngels.com
- + Yazam.com
- + VentureScape.com
- + VCCapital.com
- + Dealflow.com
- + CFOL.com
- + CapitalMatchMaker.org/capital
- + PrivateFinancing.com
- + Garage.com: Guy Kowalski popular Web site
- + VentureHighway.com
- + StartUpStreet.com: does mentor matching
- + OffRoadCapital.com
- + TCNMIT.org: Technology Capital Network—a division of the Massachusetts Institute of Technology
- + CapitalGrowth.com: they offer an excellent monthly newsletter. Contact:

Valerie Gaydos
Box 1933
Baltimore, MD 21211
410-238-1742

- + NVST.com: they also help prepare business plans. Contact:

777 108th Avenue,
NE, Suite 1750
Bellevue, WA 98004
425-454-3639

When you go to our website you'll also observe we have links to those who can help you write business plans. Typically the "big 6" accounting firms and CPAs write them. Also, there's lots of consultant who write business plans.

APPENDIX C:

[Graphic]

APPENDIX D:

[Graphic]

Joe Mancuso has sold over 2,000,000 copies of his work

ABOUT OUR FOUNDER AND PRESIDENT, JOSEPH MANCUSO

The founder of the 33 year old not-for-profit Chief Executive Officers Clubs (CEO Clubs), Joe Mancuso is the entrepreneur's entrepreneur. CEO Clubs International is composed of CEO's running businesses with about \$20,000,000 of average annual sales. The club has over 15,000 current active members.

Mancuso is a popular speaker and participants have paid over \$150,000,000 to hear the talks and workshops conducted or arranged by Joseph Mancuso.

Most recently, Joe has traveled to China; thirty times in 15 years and brought with him on the trips over 900 diverse CEOs. Today the Clubs have chapters in China/India/Dubai/and Greece/Saudi/Korea/Philippines.

Mancuso is undoubtedly best known as an author. His books and tapes have been heard or read by more small business people than those of any other management author, according to Simon & Schuster. He has edited or written twenty-six books, and currently ten books are classified as backlist books, which sell about the same quantity every year.

In addition, Joe has authored numerous magazine articles and booklets; in such a diverse magazines as Playboy, Penthouse, Success, Harvard Business Review, The Journal of Marketing and The Journal of Small Business. His materials about business plan preparation have outsold all other authors combined.

Joe holds an Electrical Engineering degree from WPI and an MBA from the Harvard Business School. His Doctorate is from Boston University in Educational Administration. He was the Chairman of the Management Department at Worcester Polytechnic Institute (WPI) in Massachusetts before launching CEO Clubs International in 1977. He lives in Manhattan, with his wife and business partner, Karla, their two children Max and May. His three married daughters have given him six grandchildren.

[A List of Some of Joseph Mancuso's Books](#)



The Mission of CEO Clubs International

Video by Joseph Mancuso

Mancuso is undoubtedly best known as an author. His books and tapes have been heard or read by more small business people than those of any other management author, according to Simon & Schuster. He has edited or written twenty-four books, and currently ten books are classified as backlist books, which sell, about the same quantity every year. They are:

1. How to Start, Finance & Manage Your Own Small Business
2. How to Write a Winning Business Plan
3. How to Prepare and Present a Business Plan
4. Mancuso's Small Business Resource Guide
5. How to Get A Business Loan without Signing Your Life Away - (Fortune Book Club Selection)
6. Buying a Business for Very Little Cash (with Doug Germann)
7. Mancuso's Small Business Basics
8. How to Buy and Manage a Franchise (with Donald Boroian)
9. Winning with the Power of Persuasion (Main Selection Fortune Book Club)
10. The Mid-Career Entrepreneur

The above books are also available on four-hour audio and videocassettes. In addition, Joe has authored numerous magazine articles and booklets, in such a diverse magazines as Playboy, Penthouse, Success, Harvard Business Review, The Journal of Marketing and The Journal of Small Business. His materials about business plan preparation have outsold all other authors combined.

Joe holds an Electrical Engineering degree from WPI and an MBA from the Harvard Business School. His Doctorate is from Boston University in Educational Administration. He was the Chairman of the Management Department at Worcester Polytechnic Institute (WPI) in Massachusetts before launching CEM and The CEO Club. He lives in Manhattan, with his wife and business partner Karla; their two children Max and May. His three married daughters have given him six grandchildren.

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