

The Pumpkin Plan

A Simple Strategy to Grow a Remarkable Business in Any Field

Mike Michalowicz
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Summary by Bob Littell, Chief NetWeaver

Here are a couple quotes from **Mike Michalowicz**, the author of “***The Pumpkin Plan***”, and with whom I had a wonderful conversation. Referring to his explanation of WHY. . . when we visit a pumpkin patch, we readily recognize but ignore the inferior ones . . .but, what REALLY attracts most of us is to find the LARGEST pumpkin in the patch:

“There is something absolutely irresistible, something magnetic about being the extreme. Be it the strongest, or the fastest, or the most unique. The farmer with the most extraordinary pumpkin in the field wins. Every. Single. Time.” . . .“To grow a successful business, your company must be irresistibly magnetic . The average lose and are left to rot. It’s the most unique – the best – who win.”

“. . .I wrote this book to show you exactly how to grow it, to teach you a proven system that will free you from the entrepreneurial trap and create the most magnetic business in your industry.”

And since Mike and I are now on a ‘first name’ basis, for the rest of the summary, I’ll just refer to him as “**Mike**”.

Introduction

So what’s Mike’s secret to becoming an ‘***irresistibly magnetic***’ company and especially if you’re working your tail off already but aren’t seeing your company grow as you hoped it would.

“Simple. You don’t need to do more. You need to do different. You have to pretend you’re a pumpkin farmer.

Yup. You read that right. A pumpkin farmer. But not just any pumpkin farmer. A freaky, geeky, overall-wearing, straw chewing pumpkin farmer, those county fair folks who dedicate their lives to growing the half-ton pumpkins you see on the even-

ing news. Turns out that they, of all people, hold the 'secret formula' for big-time entrepreneurial success: plant hearty seeds, identify the most promising pumpkins, kill off the rest of the vine, and nurture only the pumpkins with the biggest potential."

Now for some, that may be more than they are willing to commit to doing. But for those . . . as Mike describes - like Steve Jobs. . . who not only want to create a successful business, but who want to grow a "legendary company" AND "to make a significant contribution to the world", that's what Mike hopes this book can do for many aspiring entrepreneurs to "get over the hump and cruise into greatness".

And as Mike says for those who think they lack the education, resources, momentum, expertise and capital to build such a business and who aren't afraid to work hard and take chances in order to reach their goals, you may also want to buy Mike's previous book, "**The Toilet Paper Entrepreneur**". I'll buy it just for the title.

Chapter One – A HALF-TON PUMPKIN IS ABOUT TO SAVE YOUR LIFE

Mike is very lucky. Like most of us who have been fortunate to have found a great mentor (or attracted one), Mike's was Frank who he says – is "a 'greatest generation' Regis Philbin lookalike who wears a suit every day, even in his own house". In a session Mike describes as one in which his head was about to implode, Mike is chided: "You don't want to be like that guy, Mike".

I'll leave the full description Frank gives of 'that guy', but those who know the medical challenge and outcome I went through in the summer/fall of 2012, you know some of the description I'm leaving out - without my outcome - but for the somewhat more faint-hearted, 'that guy' is "The guy who works like a dog for fifty years and then ends up sitting in a rusty lawn chair, half-dead, with drool dripping down his chin."

And most of us probably recognize someone who might come close to duplicating 'that guy', especially the ones who now want to teach all the new aspiring young entrepreneurs how **they made it**, and leave out the part about why they're currently living in a double-wide.

And like many of us when we were in our 'rising. . .striving. . .working our tails off' stages in our entrepreneurial life span, Mike was right there with us all:

"I suffered from the 'if only' disease that plagues most mid-stage entrepreneurs. I kept thinking, 'if only I could work harder' or 'if only I had an investor' or 'if only I could land one big client, I'd be living the dream.' So I pushed on, and on, and on, believing I was this close to making it. But like a hamster on a wheel, I was working my ass off and getting nowhere. Something had to give. I didn't want to end up a one-nut drool factory."

WHAT GOT YOU HERE. . .WON'T GET YOU THERE

Mike describes how his software startup company. . .**Olmec**. . . began and asks everyone who has started their own company. . .if they did what he did, and wrote their first business plan. . .on a beer-stained cocktail napkin in a bar? How about you?

I've had some great ideas and written those on a cocktail napkin but I can't remember creating a business plan.

Mike isn't really suggesting that that is the place to come up with your greatest success plan of all time and in fact summarizes the three main problems which that approach creates:

“First, while liquid courage can help you get over your initial fears, planning a business in a drunk stupor completely obliterates all rational thought which as it turns out, you need to start a business. (Go figure.); Second, there's a lot more to running a business than just showing up and doing the work. (Who knew.); Third, and perhaps most annoying of all, owning your own business will not automatically free you from the grind that inspired you to get drunk in the first place. (Surprise.)”

And so you can get the picture that Mike was like most of us in our early entrepreneurial days, working our heads off just trying to survive, here's a description of he and his partner Chris's early days:

“In those first few months after we launched, both Chris and I ran around like Tasmanian devils. Did I keep regular hours? Sure I did. If I was awake, I worked. Regularly. I had no pride, so to save money I pulled all-nighters, or slept in clients' offices. I moved my wife and five-year old son into the only safe place I could afford – an apartment in a retirement building, where the average age was somewhere between eighty and dead (most, I believe, were slightly older than dead) and where the residents got up at three in the morning to vacuum, or pace the floor, or watch PBS so loud only deaf people could stand it.”

And yet, from an outsider's viewpoint, they were doing great. Two years into the business, in 2000, the Small Business Administration named Mike **“New Jersey's Young Entrepreneur of the Year”**. . .the president of the most prestigious bank in the area offered Mike a \$250,000 expansion loan. But if only they knew. Mike thought: **“If being an entrepreneur leads to wealth, why am I so freakin' broke?”**

But then, **Frank**, who Mike refers to as his 'personal Yoda', came into the picture. Mike met Frank at a Chamber of Commerce meeting:

“In a room full of over-confident, desperate salesmen, he was the only guy who

didn't pitch me. He just sat in a corner and watched. He really didn't care if you hired him to coach you. He didn't have to care – as president of a major medical services company, he had taken the company from \$8 million to \$80 million without breaking a sweat, so he didn't need the work, or the money. This was his fun stage of life – he wanted to coach (maybe adopt is a better word) young entrepreneurs.”

Frank's first piece of coaching and shocking advice to Mike, “*You're going to have to cut your client list.*” That was counter-intuitive to Mike who had spent his time building his client base and if anything believed he needed more clients.

Frank: “List your clients in order of revenue. . . Then take your top-paying clients and separate them into two categories: great clients and everyone else, from the ho-hum clients to the clients who annoy you so much, you cringe when they call you. Keep the great, top-paying clients, and cut the rest. Every single one.”

Mike finally succumbed to Frank's strategy but not fully:

“Every time I tried to focus on ‘the list’ I got distracted putting out fires, or dealing with demanding customers, or juggling payments so I could cover payroll. Like most entrepreneurs, I was the jack-of-all-trades. I wore the term ‘workaholic’ like a badge of courage. And because I never made it out of survival mode, I still ran the business – and my life – with the same frenzied energy.”

Mike was still not convinced that he could escape the treadmill he was on. . .that was until one October when he picked up the local newspaper and read an article about a farmer who grew a gigantic, prize-winning pumpkin.

THE HOLY GRAIL IN THE PUMPKIN PATCH

The first thing that Mike noticed was that this guy was not your typical farmer:

“He was a geek farmer, obsessed with growing mongo pumpkins. He'd dedicated his life to breaking the state record , and there he was, perched on his flatbed truck, smiling like he'd won the lottery, with the biggest-ass pumpkin I've ever seen right behind him.”

The article broke down the pumpkin-growing process as follows:

STEP ONE: *Plant promising seeds.*

STEP TWO: *Water, water, water.*

STEP THREE: *As they grow, routinely remove all of the diseased or damaged pumpkins.*

STEP FOUR: *Weed like a mad dog. Not a single green leaf or root permitted if it isn't a pumpkin plant.*

STEP FIVE: *When they grow larger, identify the strong, faster-growing pumpkins. Then, remove all the less-promising pumpkins. Repeat until you have one pumpkin on each vine.*

STEP SIX: *Focus all of your attention on the big pumpkin. Nurture it around the clock like a baby, and guard it like you would your first Mustang convertible.*

STEP SEVEN: *Watch it grow. In the last days of the season, this will happen so fast you can actually see it happen.*

So you can now see that Mike's AHA was, "*I needed to treat my company like a giant pumpkin*".

And the steps which follow the "**Pumpkin Plan**" go like this:

STEP ONE: *Identify and leverage your biggest natural strengths.[your unique strategic Differentiator]*

STEP TWO: *Sell, sell, sell.*

STEP THREE: *As your business grows, fire all of your small-time, rotten clients.*

STEP FOUR: *Never, ever let distractions – often labeled as new opportunities – take hold. Weed 'em out fast.*

STEP FIVE: *Identify your top clients and remove the rest of your less-promising clients.*

STEP SIX: *Focus all your attention on your top clients. Nurture and protect them; find out what they want more than anything, and if it's in alignment with what you do best, give it to them. Then replicate the same service or product for as many of the same types of top clients as possible.*

STEP SEVEN: *Watch your company grow to a giant size.*

Some of us, me included, may find this process difficult if not impossible to implement totally, since we pride ourselves – not necessarily in our own best interests - on helping the underdog still trying to make it and who need our help or services. But Mike's essential message is nevertheless something that EVERY entrepreneur – especially those just in the building stage - ought to pursue to one degree or the other:

- Not trying to be all things to all people
- Not trying to be a 'one-armed' paper hanger and trying to do everything yourself
- Not chasing after the next great opportunity when the real 'diamonds' are already in your backyard.
- Not firing some clients or customers – sometimes even good ones - who are pains in the you know what, and who actually deprive us of spending more quality time with our best clients.
- Not identifying ways to help your BEST clients, and then replicating that process over and over again.

It struck me after reading Mike's book that writing these book summaries are a good example of something which not only helps my business, but which has become a real 'value-added' unique service I can offer my best prospects and clients.

At the end of each chapter, Mike then offers a suggestion for ways to **"Work the Plan"** – Take action in 30 minutes (or less):

1. **"Find the 'why.'** *If your dream is to just be big and get rich, that's not enough to grow a significant, successful business. Ask yourself **why** you started this business and not another business. What purpose are you serving? What gets you stoked? If you know your 'why', it will resonate with your clients. More importantly, it will be your compass, and boy oh boy, do you need one of those."*
2. **"Set a revenue 'pulse' goal for this year.** *In order to get the heart of business beating again (meaning you can survive without perpetual panic), how much revenue do you need to generate?"*
3. **"Ask better questions.** *Really big pumpkins have really strong roots. We can only find the best answers when we ask great questions.. . . Write down the one big, bad question you always ask when you're beating your head against the wall, and then reverse it."*

Much of the rest of Mike's book contains stories applying "Giant Pumpkin Planning" concepts which I love:

"The stories follow each chapter and are designed to show you that the Pumpkin Plan formula works, no matter how tough your competition is, no matter how much (or how little) money you have in the bank, no matter how many clients you have (or don't have). It just works."

As I customarily do at this point in my summaries, I will start doing a less detailed description of the remaining chapters, but will try and emphasize key points, and offering 'page references' to sections which I think our readers would enjoy digging deeper.

The first 'story' which Mike shares should give you an idea of the 'creativity' of the guy. It involves the travel industry. After asking the RIGHT questions, to the RIGHT people, Mike concludes that Top Clients are those 'last-minute' travelers – business execs and professionals living in the suburbs of major cities, and who love productivity when they travel. Mike then offers a litany of suggestions which a 'smart airline' might incorporate to make their company an **'irresistible magnet'** for top execs and business owners. They tackle the challenges these execs face including: getting to the airport; providing ways to use that time productively; parking convenience; getting through the security lines expeditiously, and baggage handling. For specifics, see pages 22-24.

Chapter Two – A SLOW, MISERABLE DEATH

In Chapter Two, Mike describes the ‘**life stages**’ of many, if not most entrepreneurs and start-up companies. He quotes the U.S. Department of Labor’s statistic which reports that 80% of the approximate 1,000,000 startups begun each year, fail within the first 5 years:

“When our businesses are in a state of collapse, entrepreneurs go through three stages.

Stage One. *First we deny we’re struggling. You know what I am talking about. Someone asks how your business is going and you say, ‘Great! Just landed a big client!’ But inside you feel your lungs compress as the stress builds. . . . Stage One of the collapse, entrepreneurs deny the truth because our egos can’t handle it.”*

Stage Two. *“For many, the stress at this point has become a fact of life. Wake up stressed. Go to bed stressed. Have stressful dreams. Stress about being stressed. Repeat over and over. In some perverted way, you start to be proud of how stressed you are. . . . Even at this stage, no corrective action happens because people get temporary relief by blowing off steam and reciting their sob stories. It looks a little different, but it’s still ego.”*

Stage Three. *“In Stage Three, we just throw our hands in the air (there’s that defeatism again) and say, ‘Life sucks’, as if fate had anything to do with it (it doesn’t) and our success or failure is completely out of our hands (it isn’t). You know this stage – it’s the one where you shake your fist at the sky and shout. ‘Why me?’ ‘Why am I being punished?’ ‘Why can’t I catch a break?’ . . . This is the point at which most people give in. They stop making an effort but continue working – strike that, slaving – and accept that it will never get better. All the fight is gone.”*

The chapter actually begins with Mike describing his failed attempt to help Bruce rescue his company: *“Bruce was a classic example of someone in the ‘life sucks’ stage, but his behavior hadn’t changed to reflect his situation.”* Mike’s advice to Bruce – get rid of your expensive car and cut all expenses to the bone. . . cut out all the side projects. . . get rid of all the clients who are really some other vendor’s clients. But when faced with Mike’s advice, he couldn’t do it: *“Bruce wasn’t ready. He still thought all he needed was one killer client and all of his problems would be solved. Problem was, he’d been one client away from making it for twenty years.”*

Mike also shares his story of Eric, who on the surface was doing just fine as a Formula race car driver, engineer and all-around racing maven. According to Mike (and this story hit a little too close to home for me), Eric’s problem is that: *“Eric’s business is pretty much just Eric.*

While he does build and manage teams who handle much of the grunt work for him, he's still pretty much a one-man band." . . ."He's become a slave to his business because it is a hundred percent dependent on him – his knowledge, his contacts, his unique approach to racing. Eric has fallen into the other trap – trading time for money. He's maxed out. He has no balance, becoming more machine than man."

Mike's solution which he learned from Frank's definition of a successful entrepreneur: *"Entrepreneurs identify the problems, discover the opportunities and then build processes to allow other people and other things to get it done."* According to Mike, Eric mistakenly, *"Believes his knowledge and skill set isn't teachable and if you can't teach it, you can't systematize it. And if you can't systematize it, you can't grow it. Period."*

And I would add to this that there is also a tendency to believe, even when you accept that you could teach others to do what you do, that it would take too much time away from what you're doing, and secondly that they wouldn't be able to do it as well as you could. In most cases, wrong on both points and it's taken me four decades to realize that.

Work the Plan – Take Action in 30 Minutes (or Less)

1. *Revisit the dream. . . You need that dream more than ever. So, right now, revisit the dream that inspired you to launch your company in the first place. Write it down and keep it hand to review it. . .because we're about to make it happen.*
2. *That's it. Yup. That's it. Just take some time – the full thirty minutes or longer, if you need it – to really think about the dream you envisioned for yourself, your family, your business when you first started out.*

HOW TO PUMPKIN PLAN YOUR INDUSTRY - ONLINE

Mike once again demonstrates his creativity using a hypothetical approach for an online retailer of costume jewelry. First he would amaze some of his BEST 'online' customers by calling them on the phone. Wow, a real human being and actually the owner of the business. As he focuses on why some of them have such high rates of merchandise return, he learns that it's often 'brides' who are looking for 'matching jewelry' for bridesmaids. It's one thing when they see an online picture and another when they actually get it. He asks them: *"If you had a line of costume jewelry for the bride and her attendants, would you carry it in your store?"* All of them reply with an eager "Yes".

After doing some research to discover that no one is currently offering this, he calls up his best design manufacturer and make an arrangement to become their exclusive distributor of this line.

You can read the entire story on pages 35-37 but you can readily see that Mike just followed Frank's advice: ". . . *identify the problems, discover the opportunities and then build processes to allow other people and other things to get it done.*"

CHAPTER THREE – THE SEED

Did you know that 'the George Washington', 'the Ben Franklin', 'the Albert Einstein', 'the Bill Gates'. . . of pumpkins was "**Howard Dill**" from Nova Scotia. Although he's deceased, he's the pumpkin icon. Mike wrote: "*Dill's Atlantic Giant seeds are behind every world record since his own first win, in 1979*". And if you went to the annual "Giant Vegetable Grower's Convention" at Niagara Falls, Mike says that to buy just ONE of these giant pumpkin seeds could cost you about \$500. And that an ounce of these seeds is actually more valuable than an ounce of Gold (at time of writing – Mike said that was \$1,750).

So you probably now get Mike's analogy with pumpkin 'seeds' and 'business':

"Don't waste your time planting seeds that may or may not work out. Plant the seed that you know has the very best chance of making it, and then focus your attention, money, time and other resources on that tight niche until all your entrepreneurial dreams come true."

*"When you first started your business, you, like me, probably planted a lot of different kinds of seeds. You had a ton of great ideas, welcomed every type of client with open arms and busted your butt trying to make those seeds grow. You watered, and watered . . . and watered. . . until you were drowning. Some seeds worked out better than others, growing perfectly acceptable pumpkins. . . I mean, **profits**. But other seeds just withered and died even after you spent precious resources you really didn't have trying to keep them alive. Other seeds just never even pushed through the soil at all."*

FINDING YOUR OWN GIANT SEED

So you agree that the key is to find YOUR giant seed, but how do you do that?

Mike says: "*The main difference between you and an aspiring giant pumpkin farmer is that you already have your best seed, you just have to find it. . . Your giant seed is basically your **sweet spot** – the place where your best clients and the best part of your business meet. This is the place where your favorite customers are able to derive maximum benefit from the systematized, core process that drives your business.*"

In the next chapter, Mike provides an 'assessment tool' for identifying your 'best giant seeds', but as a start Mike suggests – and you can imagine these if you're just starting out and don't have any clients –

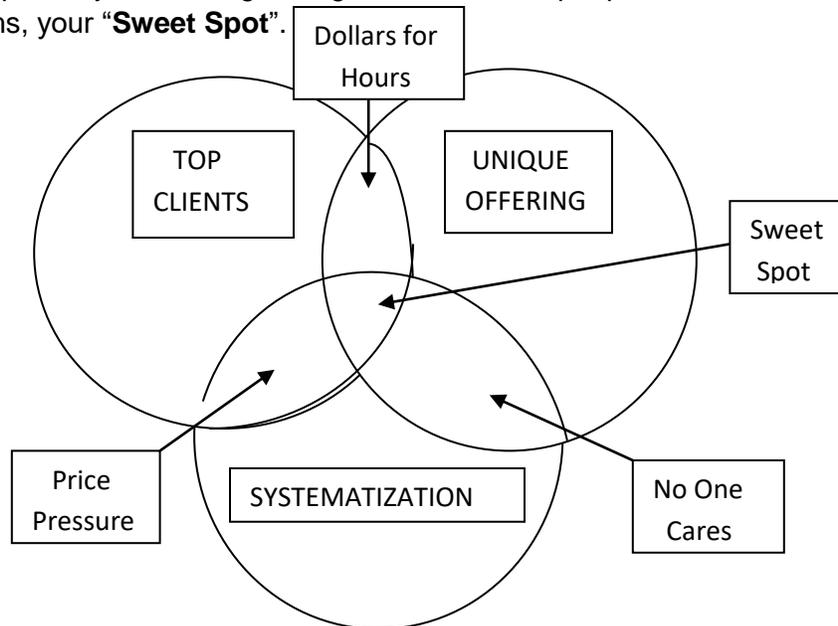
“They should share your interests, values, principles, aspirations and have a similar personality and approach to business. . . In many ways your best customers are like your best friends. They like you and you like them. Everything is easy between you because you ‘get’ each other, you respect each other, you have fun together. Plus, you each get something great out of the relationship: they get a service they need and you get the premium they’re willing to pay for it. Model your ideal client after your friends and sure enough, everything will become easier.”

But is winning these ‘best clients’ who are also like ‘best friends’ just a matter of back-slapping and playing golf with them? They’re successful business people themselves or you wouldn’t be approaching them. Mike stresses:

“Your core system is the unique offering that differentiates your business from all the others in your industry. It’s not just about your product or service; it’s also about your approach to delivering your product or service, and it’s about the specific talents, abilities and experience you bring to the table. It’s your big idea, your know how and your mojo all wrapped up into one crazy cocktail that can’t be duplicated.”

In Mike’s previous book, *“The Toilet Paper Entrepreneur”*, he talks about the importance of focusing on one **“Area of Innovation”** (AOI) and he explains there are three ways to differentiate yourself and your business – **quality**. . .**price**. . .and **convenience** – and you can’t be a leader in all three simultaneously.

On page 47, Mike provides a great ‘visual’ chart which combines the three elements for entrepreneurial success: 1) you’ve identified and are dealing only with ideal clients; 2) you have a ‘unique’ offering which no one else can duplicate; 3) you have the ability to easily execute and replicate your offering through automation or people. Where these three intersect is what Mike terms, your **“Sweet Spot”**.



But as part of the diagram, between “**Top Clients**” and “**Systematization**”, you see ‘**Price Pressure**’. What Mike is saying is that if you can’t ‘**systematize**’ your offering to this group of top clients, you’ll be like Eric; always trying to do it yourself, without the time or money to consistently keep them all satisfied without breaking your own back.

And between “**Top Clients**” and “**Unique Offering**”, Mike shows “**Dollars for Hours**”. If your offering is really not that unique, even though you can easily systematize it, “. . . *there are no barriers to entry and the competition will beat you up on price.*”

And finally between “**Unique Offering**” and “**Systematization**” is “**No one cares**”, meaning that even if you offer a unique product or service, and you can also easily systematize it, if no one really wants it (i.e. the perfect mousetrap), in Mike’s words, “*You’re screwed*”.

THERE’S ONLY ONE ATLANTIC GIANT

Mike stresses that a mistake that many entrepreneurs make is to look at the competition and either try to copy it, or make some slight tweak to it. As he says: “*You can continue learning from others, including the competition, but to find your sweet spot, you need to be yourself.*”

Work the Plan - Take Action in 30 minutes (or less)

1. **Start the chart** of your own and in the next chapter, Mike deals with how to choose the right clients. If you go to www.PumpkinPlan.com, you can download pre-drawn Circles which what I should have done above. “*Hang it in a place where you will see it every day and start filling in the details as you discover them. Be prepared to review, tweak and improve often.*”
2. **Zero in on your Area of Innovation (AOI)** “*What’s your thing? What is your company known for? And remember you can’t be all things to all people. You can only be one thing to a group of important people – your best clients. How could you take this AOI to a level of innovation that is rarely, or better yet, never seen in the industry.*”
3. **Figure out if you can systematize it** – “*What tasks do you handle yourself because you think that’s easier than teaching someone else how to do them? What are the tasks that if you went on a four-week vacation, would not get done. If you took a break, would your business fall apart at the seams? Make a list of all these things because these are the places where you need to start creating systems.*” **IMPORTANT** – “*Building a system is painful and it takes time, maybe ten times, maybe one hundred times longer than ‘just doing it’, but when the system is done and in place, it becomes automatic and you will never, ever need to do it again.*”

HOW TO PUMPKIN PLAN YOUR INDUSTRY – CONSTRUCTION

I won't go into the story Mike tells here about how to first identify and then trim back some of the pumpkins on your vine (less profitable and/or less 'likeable' and 'more difficult' clients), but as usual, his story shows some creative ways to **'identify your sweet spot'** and I already have a construction client of mine with whom I'm going to share this story, and Mike's book.

CHAPTER FOUR – ASSESS THE VINE

Mike begins this chapter by acknowledging that some readers may be skeptical or downright resistant to following Mike's strategy – especially the idea of 'firing' existing clients who are either not good prospects or in some cases, are a pain in the rear.

This is very difficult for me as the 'Chief NetWeaver' as I see part of my role as trying to help the underdog, but deep down I know I need to be more in line with Mike's thinking since although you would be serving fewer clients, you would be doing a much better job for those whom you most like and with whom you would most enjoy working.

I'm also at a different point in my career (Age 66) with many fewer years in front of me than behind. I can afford to be a little more flexible than many who are still totally in the 'building your business' phase. Frankly, I wish Mike had written his book 20 years ago and that I had read it then.

Here's the Assessment Chart which Mike recommends for not only trimming down your current list, but for selectively choosing new additions. Mike says that there are three types of clients: 1) good clients, 2) non-existent clients, and 3) bad clients.

Mike also points out that 'non-existent' clients, may actually be better than 'bad clients' – *“. . . just like bad, rotten pumpkins suck nutrients from good pumpkins and stunt their growth, bad, rotten clients distract you, drain your resources and cost you money. You're much better off having no clients than bad clients, because at least when you don't have any clients you can prospect for good ones instead of tailoring, tweaking and twisting to accommodate the needs of the bad ones.”*

Mike likes to apply his **"Desert Island"** question in choosing 'best clients':

"If you could only bring one client to a desert island, who would it be? Who could you stand to be with for the months or years it takes you to figure out how to get off the island? Who can you trust? Who do you love? Who might actually work with you to find the way to survive – or even thrive – during your stay?"

Mike has developed his own 'Assessment Chart' and rather than only use the two criteria Frank recommended – ranking them by **'revenue earned'** and the **'cringe' factor**, Mike has developed a great group of questions:

- *Do they pay on time; when they feel like it, or not at all?*
- *Do they refer others to you, or do they keep you all to themselves?*
- *Would they tell you if you made a horrible (or horribly stupid) mistake, let you fix it and let it go, or would they rub your nose in it every chance they got?*
- *Is a super-sweet deal on the horizon, or are they maxed out with you?*
- *Do they tell you what they need and want, or do they expect you to read their minds?*
- *Do they respect your expertise, or do they consistently undermine or question you?*
- *Are they coming back for more, more, more, [of what you're offering] or are they one-hit wonders?*

Mike suggests that you add some of your own qualifiers, but then with those in mind, here's the Assessment Chart:

- 1) List your clients in descending order of revenue.
- 2) Now, put a line through the clients who make you cringe when you hear their names.
- 3) Create a column for each of the following qualifiers:
 - a. Pays Fast – do they pay on time or early
 - b. Repeat Revenue – do they use your services or purchase from you on a regular basis?
 - c. Revenue Potential – could they generate a significant amount of revenue for you in the future?
 - d. Communication – do they communicate well with you?
 - e. Fix It – when you make a mistake, will they tell you, give you a chance to fix it and forgive you when you do?
- 4) Grade each client in each column: A = Perfect; B = Near Perfect, but messes up occasionally, C = Average; D = Poor, rarely meets expectations; F = Completely sucks. BE HONEST.
- 5) Now create new columns for the following less crucial qualifiers:
 - a. Opportunity – does working them give you opportunities you wouldn't have had otherwise, such as introductions to key partners?
 - b. Referrals – do they refer others to you and/or are they will to?
 - c. History – do you have a long-established history working with this client, making you feel confident you understand how they behave in all situations?
- 6) Add blank columns for any additional qualifiers you came up with
- 7) Place a "Y" (yes) or "N" (no) in each of the non-crucial columns. Use this as a tiebreaker when identifying top clients.
- 8) Add three more blank columns for your Immutable Laws (we'll fill them in later).
 If you sell to literally hundreds of customers, Mike suggests: *“. . . go with the 5-20% of your clientele based on who brings in the most dough. If you can't name your top revenue generators, jot down the names of the people you see most often. If you don't know their names (and come on, you have to get to know them), write down their attributes – lady with pink hair, tattoo guy, high-pitched voice and then vow to introduce yourself at your earliest opportunity.”*

Mike warns against 'tweaking your answers' to key questions in order to play favorites. He also recognizes that many of his readers, me included, aren't quite ready to become the grim client reaper:

"You know the cringe-worthy clients are on their way out, but now you also know which seemingly decent clients just aren't measuring up. Surprised? Nervous? Relax. I know you aren't ready to break up with them just yet. You thought you had a good thing going and you want to see if you can work things out. I get that. We're not going to start firing until the next chapter, anyway, so for now just exhale and finish the chart."

I feel like I should be reclining on the couch in Dr. Michalowicz's psychiatrist's office.

Mike finishes this chapter with an explanation of his two "Immutable Laws" which he describes as more than just 'values': *"They are all about 'YOU', and only you. They're what you live by. Our values can change over time, but we don't mess with Immutable Laws. They are set in stone. They are the essence of who you are. And your business must adhere to them."*

Of Mike's several Immutable Laws, which he covers more completely in his *"The Toilet Paper Entrepreneur"*, the two which he says people seem to remember the most are **"Give to Give"** (give for the sake of giving and work for the joy of working) and **"No Dicks Allowed"** (life's too short for rude, arrogant people who are only out for numero uno).

Ok now if you're like me and you're already sweating over how you're going to 'fire' some of those 'middle of the road' clients who don't necessarily score high on the Assessment Chart, Mike eases up on the pressure on page 69:

"So you and I don't need to have our own awkward stare down moment, let me be clear. You don't have to fire everyone who doesn't make it to the top of your list. You just have to fire those who are at the very bottom, those who are making it really, really difficult for you to take on your own \$15,000 clients [a reference to an example where a woman told Mike she couldn't take on a \$15,000 client because she was too busy serving \$2,000 clients] (or the equivalent). The clients who are hanging out in the middle with perfectly respectable, average grades can stay on. They just can't get your undivided attention right now. As you work the plan you might be surprised at who responds to the changes at your company and moves up the ranks, securing their spot as a top client."

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- See Pages 77-79 if you're a financial advisor of any kind to see a creative approach you could use as a 'door opener' with some of your top clients.

CHAPTER FIVE – HOW WE DO THINGS DOWN ON THE FARM

Here are some of what I thought were the key points in this chapter and a few points you'll want to do deeper as you read the book:

- In helping a 'solar company' John conformed to Mike's advice: *"I remember you said you can be great at one thing, maybe two, if you're lucky, and that you should exploit the hell out of those things and outsource the rest. The second point that really hit home was, don't be afraid to say 'no' to the stuff you're not great at or isn't a good fit."*

"The solution that finally got John unstuck and off the hamster wheel was all about the 'who'. When he stopped trying to figure out how to work less and grow his business and focused on whom he wanted to provide services for – people who wanted solar electric – it became easy to say no to those he did not want to provide services for".

And if you're afraid of 'firing' clients, you should read the "**KILLING 101**" section, Pages 87-90 and especially some of the more humane way to fire them where you don't actually have to do it. They fire themselves.

Mike's creative story example of "**Pumpkin Planning**" in the 'personal services' industry can be found on pages 91-93.

CHAPTER SIX – THE TOURNIQUET TECHNIQUE

Here are some key points from this chapter and some places in the book where you'll want to dig deeper:

- *"I've said this before, many, many times, but it's worth saying several million times more: cash is the lifeblood of your business. It's more important than your massive inventory, unpaid receivables and impressive lines of credit. Inventory can end up in a landfill, customers may never pony up and lines of credit vanish at the blink of an eye."*
- Staffing properly and expense cutting – Pages 99-107.

CHAPTER SEVEN – PLAY FAVORITES AND BREAK RULES

Here are some key points from this chapter and some places in the book where you'll want to dig deeper:

- In this chapter, you're now into the 'nurturing' phase because you're now down to the core of the clients you want to keep the 'happiest'. As Mike says, *"Your mission is to keep these folks so happy, you obliterate the possibility that they would ever leave you for the competition."*

- *“To do that, you’re going to have to go against conventional wisdom (and your mom’s strict orders). You’re going to have to play favorites and break a few other ‘playground’ rules.” . . . “Defy their imagination. Offer solutions to their problems and answers to their prayers.”*

So what does Mike mean by “play favorites”. He points out it doesn’t mean ignoring all your other clients and skimping on quality of the product or service you provide, but with your top clients:

- *“. . . develop a different approach. . . Push them to the front of the line. Drop everything for them. Interrupt meetings to deal with their crises. Dream up new and better ways to serve them. Anticipate their needs. Give them first dibs on new products or services. Accommodate their special requests. And most importantly, go out of your way to help them grow their own business.”*
- Read pages 118 to 122 to learn the secret of “**UPOD**” and some ways you can do it.
- Here’s another way to ‘break the rules’ – “**Don’t hide the secret sauce**” – Give most of it away while retaining some of it (pages 123-125).

CHAPTER EIGHT – THE WISH LIST

Here are some key points from this chapter and some places in the book where you’ll want to dig deeper:

- The ‘wish list’ is made up of those things you discover with your top clients which *‘frustrates them the most’ . . . ‘eats up their time’ . . . ‘cuts into their profit margins’.*
- In his client interviews Mike finds out:
 - o What they wish they could change about their industry
 - o What they wish I could do for them or sell to them
 - o What would make their jobs so much easier
 - o What would help them grow their business

Then Mike *“does his best to play fairy godfather and fulfill every possible wish!”*

On page 136, Mike has a list of questions he uses in his client interviews. You should buy the book, blow up this list to make it bigger and tack it on your wall. I have done that.

And another slight twist to these questions: *“What can I offer my clients that would have the biggest impact and give them the most benefit, and that would be easy for me to replicate?”*

I especially like Mike's "**Work the Plan – Take Action in 30 Minutes (or Less)**" at the end of this chapter (pages 146 and 147): "*Draw up your own list of interview questions*". . . "*Look for commonalities and Innovate*". . . "*Get some advice*".

CHAPTER NINE – LET THEM LEAD

Here are some key points from this chapter and some places in the book where you'll want to dig deeper:

- Mike says that by getting your "*customer community to directly influence the development, launch, and marketing of your offering*". . . "*you can predict – within a small margin of error, how many people would buy your new product or sign up for your new service.*"
- Mike calls this the "**Insider Strategy**" and "**Crowd-Sourcing**". Although 'insider trading' is illegal, letting your best clients have advance 'inside information' on products or services you're considering launching, and giving them credit when something really takes off, will pay off in spades. Read pages 152-159 to get more detailed description of how and why these two concepts work.
- You'll also want to read pages 159 – 162 to learn the "**Sequence**" which Mike uses in EVERY new launch he does: Here's the 'sequence', but you'll want to read the process he uses in each one: 1) Predict; 2) Appreciate; 3) Announce; 4) Engage; 5) Ask; 6) Limit; 7) Over-deliver; 8) Keep Track.

CHAPTER TEN – BIG, FAT & HEALTHY

Here a few key points from this chapter and some places in the book where you'll want to dig deeper:

- Read how Mike had an AHA on how to land more top clients by understanding that some of the 'vendors' who served his company, also had THEIR own top clients and asking for referrals for 'favorite vendors' was much easier than asking for referrals to potential clients (pages 173-178).
- Read why Mike learned to market in tighter '**Concentric Circles**' (pages 178 – 179).

CHAPTER ELEVEN – THE AIRLINE SAFETY CARD METHOD

Here are some key points from this chapter and some places in the book where you'll want to dig deeper:

- Mike's key here for sustainable success is to '**systematize**' your 'sweet top' to the point where anyone in your organization can perform it just what you would do. Read pages 192 -196 for a more complete version but think of an organization like "Chick-fil-A" as a perfect example of a company that has 'systematized' customer service probably better than any company has ever done it.

CHAPTER TWELVE – KILL THE CURVE

Here are some key points from this chapter and some places in the book where you'll want to dig deeper:

Killing the curve means avoiding being caught in the mediocrity of the 'bell curve'.

- Mike explains that to 'kill the curve' you need to do a 180 (pages 207-210).
- Learn that another way to 'kill the curve' is to add 'est' to whatever you do – become the 'fast-est', 'cheap-est', 'strong-est', etc.

CHAPTER SIXTEEN – NEXT SEASON

Here is the key point from the final chapter:

- *"Pumpkins die – even giant pumpkins. This is why you need to extract a seed from that giant pumpkin of yours and use it to plant a new one. . .when you're ready. Do this only when your first pumpkin is rock-solid strong and operating on autopilot."*
- *"Don't freak out. I'm not telling you to sell your business and start a new one. I'm telling you to prepare to grow something new. Maybe you'll evolve your business – that's what IBM did, leaving computer manufacturing behind to grow a new service business. You may find a new niche that allows you to both exploit your number-one strength and better serve your top clients."*
- **Closing line** – *"Next 'season', whether that's next year, or ten years from now, let your Atlantic Giant seed work its magic as you grow another giant pumpkin."*