

CHAPTER 1

You CAN Get Rich—But Yes, There Is a Catch

This book is about how you can make a very substantial income—a full-time income—by spending only bits and pieces of your time on the side.

You don't need to take any leaps of faith and quit your day job, nor do you need to sign up for any membership clubs or multilevel-marketing schemes. You simply can follow my tested-and-proven advice and take one baby-step after the next until you arrive at your financial destination.

If that sounds too good to be true, you're right. There is indeed a catch, and it's a big one: To be successful in building an online business, you must ignore a lot of conventional wisdom and advice. Whether it's rattling around in your head or someone's telling it to you, most of it is a combination of lies, half-truths, myths, and just plain outdated information on what it takes to be successful online.

Before I depress you too much, you should thank your lucky stars for all the garbage information published about building a business. It keeps down the real competition and means more money in your pocket if you ignore it.

Some of this bogus advice is generated by your own brain in the form of beliefs or self-doubts you've had for years. Other times you'll get the advice from well-meaning friends and family members.

Either way, it's toxic. It's my first task to clear your head of these beliefs so we can go make a bunch of money.

Let's consider these bits of bogus advice to be big *Keep Out!* signs on your way to wealth.

10 GIANT *KEEP OUT!* SIGNS ON THE ROAD TO YOUR ONLINE BUSINESS SUCCESS— THE FALSE BARRIERS



"I'm Too Old/I'm Too Young"

Buyers on the web don't care how old or young you are—they only care what you can do for them. That might be a selfish reality, but it works in your favor. In fact, my (Jon's) son, Tom, created his first info product when he was 14 years old. He's sold it across America for years and no one has ever asked his age. It's just not relevant.

The web is the ultimate merit-based marketplace: If you have what they want, they'll buy it.



"I Don't Have Enough Money"

Forget about the consultants who want to whack you thousands of dollars for a web site, and forget about monthly *hosting fees* of \$70 or more. The truth is that you can literally be up and running with a full-featured web site for well under \$100. In fact, you can have a decent one for about \$50 or even less. I'll explain exactly how in this book.

Oh, and if you think you need a bunch of money to design and manufacture a product, it just isn't so. I'll show you how to create a product for next to no money and for just a little bit of your time, believe it or not.



"I Don't Have Enough Time"

You don't need big blocks of time to get a six-figure second income. All you need is scraps of time here and there.

It used to be that if you wanted a second income, you needed to go out and get a second job. That meant coming home from your first job dead tired, then wolfing down your dinner and going back out to work some more hours. Hey, you can still do that today if you want to—but it's just not necessary.

Imagine back to when the telephone was a revolutionary new device and how a conversation might have gone between someone who knew about the new technology and someone who had no clue:

"Son, ain't no way I can leave the farm and go visit Uncle Milton in the city. This is harvest time and I have crops to get in."

"But, Dad, you can go next door to the Smith's and use their new telephone."

"Their what?"

"Their *telephone*. You can call Uncle Milton and he'll hear your voice, plus you can hear his voice too."

"But how can that be? Is it the work of the devil?"

"No, Dad, it's not magic or witchcraft. It just has to do with that electricity stuff and some scientists who figured out a new way to send sounds back and forth."

"Oh, I don't know. We've gotten this far without it. I see no reason to change now. . . ."

Just as it must have been hard for people to accept a revolutionary change in communication with the telephone, we're in the midst of another revolution: No longer must

you spend hours each day at a second job to make the income of a second job.

This is good news and bad news, depending on the person. Some people need the structure of a job where they show up and do what they're told for several hours each day. They're okay with trading their hours for dollars.

Other people can get things done on their own without being told what to do and when to do it. Are you one of these people? I hope so, because that's the kind of person who does well with turning scraps of time into piles of money. The real trick is to know your very next step to take and to take small actions regularly. In this book, I'll supply the *what actions to take* part. You'll need to be the one to take those regular steps.



"It's a Bad Economy"

Let's examine that statement a little more closely. It's true that newspapers, television, and the Internet are full of bad-news stories every day. That doesn't make it a uniformly bad economy.

General Motors lays off workers in Michigan while a wind-energy company adds jobs in Texas, but let's say there is an overall 10 percent unemployment rate and another 10 percent who've given up looking. That still leaves 80 percent employment and those people are still buyers.

I'm not trying to put a pretty face on a difficult economy, but instead to make the point that there are countless *microeconomies*. If you sell custom motorcycle jackets, custom quilt designs, or a report on bass-fishing secrets, some people out there are ready-and-willing buyers right

now. It's a matter of finding them, and I'll explain exactly how to do that.



"All the Really Good Ideas Are Taken"

That's just crazy. Anyone who says that is starting to sound like the Roman Governor Julius Sextus Frontinus in around AD 60, who said: "Inventions have long since reached their limit, and I see no hope for further developments."

If anything, we're living in a society where the pace of new good ideas is getting quicker, not slower.

But just for argument's sake let's say that someone waved a wand and there were no additional significant inventions. Look around you—most people are collectors of things. They don't buy just one book but lots of them. They don't have one cat but several. They don't stop with one screwdriver, casserole recipe, or dog leash, but they own many.

It gets even better: As you know, people can be very passionate about hobbies. If you're a major fan of orchids, fly fishing, Jack Russell Terriers, or whatever, then you're not only a willing buyer of the next item, but you actively search for it. You want to be the first in your group to have it to show off. We'll explore this type of product in much more detail later.



"I'm Too Small to Compete Against the Big Guys"

That's early 1900s thinking, but we're in the twenty-first century now. It's true that if you wanted to compete effectively against Henry Ford back in the day, you had to be another giant like General Motors or Chrysler.

That was because you had to spend major money to set up factories, hire thousands of workers, and create dealerships around the country. It was the same for many decades in other industries: We made do with three television channels, a couple of newspapers in any given market, and the only decaffeinated coffee was *Sanka*.

These days *small* is the *new big*. I've lost count of how many hundreds of television channels are out there, not to mention all the shows on YouTube, Hulu, and so on. Newspapers are either drying up altogether or moving to 24/7 Internet access.

Everywhere you look, the old model of big, slow, and *one-size-fits-all*, is giving way to fast, agile, and *just-the-way-you-want-it*. This is wonderful news for the micromanufacturer and micromarketer you'll become after reading this book.



"I'm No Good with Computers"

Can you turn on your computer and use a mouse? Can you read plain text on the screen? Okay then, you're good to go.

Back in the day when Bill Gates was a student fiddling with software, you needed to learn programming to make computers do anything useful. Today you no longer need to know *any* programming to get a perfectly fine web site up and running. You do need to be clear and direct in what you offer people, and that's easy to accomplish, as you'll soon discover.



"There's Too Much Competition"

Do you want to start a business so somebody will erect a statue to you or so you can have a fat bank account? If you

want the statue then by all means become a pioneer. You can tell the pioneers because they're the ones lying face-down in the mud with all the arrows in their backs. Forget that. It's much less painful and much more profitable to have your business in an area that's already somewhat established.

Consider what it's like to enter a completely new market—no visible demand exists for that product. When the first person invented crossword puzzles, computer games, and, for that matter, even the computers themselves, no immediate demand existed for them. Ken Olsen, who founded Digital Equipment Corp, said, "There is no reason for any individual to have a computer in his home."^{*}

Demand had to be built for all these inventions. On the other hand, when you offer a new-and-improved dog collar to the market today, you have millions of potentially immediate users, depending on how good your doggie collar is.

Here's the really excellent news: Most of your competition is not very good at selling dog collars. Just think back to your own experiences in stores and through mail order. Are you consistently blown away by the excellent service you receive? At least not on Planet Earth. I'm not telling you anything new when I say that most businesses do a bland-to-terrible job of customer service. They make the really good companies stand out, and that's the kind of business I'll help you to create from scratch.

Really savvy marketers have a rule: *For fastest revenue growth, look for businesses with an existing, installed base of customers.* It's smart advice.

^{*}<http://www.snopes.com/quotes/kenolsen.asp>



"I'm Not Educated Enough"

You definitely should sweat this one—that is, if you're applying to law school or medical school. You'll need to show some pretty impressive grades, plus don't forget those extracurricular activities and some great letters of recommendation.

Oh, you're not applying to graduate school? You just want to make money on the web? Then what does your education—or lack thereof—have to do with it? Since when did you find a great product or service online only to say to yourself: *Well it is exactly what I was looking for, but I just don't see a strong enough résumé for the inventor, so never mind.*

The plain truth is that, on the web, nobody cares about your background. That might be a disappointment if you labored for years to get a fancy degree. But it should be encouraging if you never got all the *sheepskin* you wanted. (*Note from Jon Rozek: I graduated from Harvard College with High Honors and the corporate world did care about that fact, but the Internet world and my clients could not care less and rarely even ask.*)



"Someone Will Steal My Idea"

This one stops a lot of people dead in their tracks. They think: "I have a great idea but I'm stuck—I want to market it but as soon as I tell people about it, word will get out and some giant corporation will rip off my idea. So first I have to get it patented, but that costs money and I don't know how to go about it so maybe I'll just wait and . . ."

You know how that ends—your idea molders in your brain or, worse, you see someone else beat you to the punch by getting out there and marketing the same idea you had years before.

You can't let your overactive protection instinct squash your business idea altogether. If you let that happen then it might as well be a thief breaking into your house and stealing all your business ideas—either way, you're left with nothing to show for your asset.

It's much better to launch your product—even if it's not perfect—and start to make money with it. Pop Quiz: Who was the first person to cross the Atlantic nonstop by airplane? If you answered Charles Lindbergh, that's good. Now, who was the second person?

If you know the answer to that—without looking it up—then you really do deserve congratulations. (It's often credited to Amelia Earhart.)

If you get your product out there first, you'll be remembered as the Charles Lindbergh of that product. You won't have to sweat who else comes out with one—you'll always be able to tout yours as The Original and make fun of the imitators.

Besides, Ray Kroc, Chairman of McDonald's, was asked about all the other burger chains that sprang up after McDonald's became popular. He said, "We can invent faster than they can steal."

I bet you know people who believe some of these 10 mistaken notions. You might even be one of them. Do you see how powerful it will be when this book shows you how to navigate past these false barriers but your competition is stuck with them?

That's why I say you should thank your lucky stars for all the half-truths, myths, and bad information surrounding online businesses.

NOW FOR THE SIX DISABLING AND VERY REAL DANGERS TO YOUR ONLINE BUSINESS SUCCESS

Busting the myths was the good news, but I do have some bad news for you now. It's the stuff you really should concern yourself with—the true barriers to your progress. Let's look at each of these powerful threats to your online success.



Real Danger Number One: You Are Easily Influenced by People Less Successful than You Want to Be

We all have people around us who mean well with their advice, but in reality they're not that helpful and not that successful themselves. It's very dangerous for you to take advice from them.

For purposes of this book, I want to put a name on this type of person. Let's call him *Uncle Moe*. For as long as you've known him, Uncle Moe has been an authority figure. He's frequently wrong but absolutely never in doubt.

He's also quite hard to ignore because he doesn't wait to be asked his opinion but instead freely volunteers it at every opportunity. Besides, Uncle Moe has in fact lived much longer than you have and he does seem to want the best for you.

Uncle Moe's opinions are not shades of gray but pure black-and-white. He either is 100 percent in favor of what you're doing or 100 percent against it.

Something's troubled you about his advice over the years—it's that frankly Uncle Moe hasn't been all that successful himself.

You've heard all of the reasons: He's had a bad back ever since the war or maybe it was also that workplace injury.

Uncle Moe never finished school because the kids came on the scene a bit earlier than he and the little lady had planned. And he's never really quite had much success in business, but it wasn't for lack of trying, he assures you.

In fact, it seems that Uncle Moe either has been in just about every type of business, or he knows someone who has. He didn't make money at real estate because "the whole industry's a scam." He almost lost his shirt in that restaurant he opened because "employees are thieves."

He tried a mail-order business once but that didn't work out because "direct mail doesn't work." He even considered going back for additional training but soon gave up that idea because "it was all that theoretical ivory-tower stuff and I've learned everything I know from the only school that counts—the School of Hard Knocks."

It's therefore hardly a surprise when you're standing over the onion dip at Thanksgiving and Uncle Moe asks you what you've been up to. You tell him that you have this idea for a new type of (whatever it is). Uncle Moe's verdict is too swift for him even to swallow, so with cheeks full of chips and dip he shakes his head: "Big mistake. I tried an even better idea a couple of years ago and couldn't get it to work. Don't waste your time."

Here's the bottom line: If Uncle Moe is highly successful then pay more attention to what he tells you. The less successful he is, the more you should politely nod and ignore his advice. Better yet, when he asks what you're up to, say something neutral like "oh, nothing special" or instead switch the topic to sports, the weather, or how his back is feeling.

You should consider a new idea of yours to be like a seedling in your garden. It's delicate, easily squashed, and needs time and nourishment in order to grow strong. Don't

let the Uncle Moes of the world weed-whack your tiny plant into oblivion.

You're much better off by either keeping it to yourself or by getting advice from someone who knows about the thing you're involved with.



Real Danger Number Two: You Think You Can Sit on the Couch and Money Will Spew out of the TV

I know what you're thinking here: That's absurd. I don't think I can sit on the couch and make money!

Here's the problem. We're all exposed to a great deal of advertising that makes things sound effortless. You can't go a day without hearing about how you can "Lose 50 pounds without dieting!" or by simply joining a dating service you can "Have that person of your dreams!"

The rational part of our brains knows that improvements and success take time, but the caveman part of our brains is sick of waiting! If someone promises instant results, hey, who knows—maybe this time it will be true.

After all, in a world where we can have instant breakfast drinks, instant messaging, and even get Dominos Pizza ordered through your television and delivered to your door, why can't long-lasting success also be delivered instantly?

One guy I know says that his goal is to make people feel like "the moment they sign up for my three-day boot camp, money will rain down on them from the sky." In other words, they don't even have to attend the event, much less put his methods into practice afterward. His goal is to make them feel like the mere act of buying his stuff will cause money to pour into their lives.

It's really a shame that nothing works that way despite the slick brochures and teleseminars to the contrary, so

suppress that internal caveman when he gets all hot and heavy after hearing such talk.



**Related Real Danger Number Three:
You Think that the Only Good Money Is
Hard-Earned Money**

This is the flipside of what we just covered and it often gets embedded into our nervous systems from a very early age.

Google lists 4.5 million results for *U.S. Constitution*, but it shows 13.5 million results for *hard-earned money*.

There's no question that many people work extremely hard for their money. The mental limitation comes when they think that only through hard work can they produce honest money. It seems that some people apply moral overtones and believe that *easy money* is only what thieves can get away with.

What you'll discover in this book is something in between. It won't be along the lines of those fake claims like: *When you buy my system, money will spew into your life like an out-of-control ATM!* No, in fact, you'll have to do some work using only bits of time here and there. It might even involve turning off a rerun on TV in order to get something finished.

On the other hand, there won't be anything hard about it. The process is step-by-step with absolutely no leaps involved. Even better, the process involves building something once and getting paid over and over.

Think about the typical heart surgeon. She went to school for a jillion years to become trained and yes she does make a very nice income. But if she doesn't show up at the hospital to perform the next triple bypass, she doesn't get paid.

That's another way of saying the doc does *piecework*. It's much more glamorous to be a heart surgeon than to be a

seamstress who must report to work and sew a thousand boxer shorts to get paid a few bucks—but both occupations are piecework. The same is true for \$500-per-hour attorneys and even sports stars who get paid ridiculous sums. You don't show up to work? You don't get paid.

Compare that to making an information product one time and selling it for years or even decades afterward. Oh, you should update the information from time to time, but fundamentally you have done the work once and now will receive an income stream for a very long time.

Is that *hard-earned money*? Well, you did have to get off the couch to buy this book and you are in fact spending time to learn how to make a six-figure income on the side, so I applaud you for taking action. However, the great news is that, once you get your income vehicle moving, you can hop on and enjoy the momentum as it carries you along with relatively little effort.

I just hope you don't have some moral or religious aversion to making money without shedding any blood, sweat, or tears.



Real Danger Number Four: You Insist upon Staying in Your Comfort Zone at All Times

It's simply not necessary to take great risks or step way outside of your comfort zone in order to make a lot of money, but stretching that zone is a good thing.

In the world of real estate investing, some so-called experts advise you to come home from work, wolf down some dinner, then change clothes and drag yourself back out, knocking on door after door to find a real estate deal. That may work from time to time, but it's just unnecessary punishment. It's also a great prescription for burnout.

I've made many millions of dollars in real estate and have never found it necessary to knock on door after door. Instead I use direct mail. I created a series of letters and figured out where to get good-quality lists of motivated sellers of real estate. Then I created a system where I brought those names to a lady at a nearby senior center, and she would address the envelopes and mail them.

It would have been more comfy for me to sit on the couch and dream about being rich someday. Instead, I had to write those letters and improve them over time. I also went through a few little old ladies to find one who did the best job for me. Those steps did not represent massive discomfort but just stretched my comfort zone a bit.

This is not a book about real estate investing, but the same principles apply to any other business. You probably know that a stretched and limber muscle performs better in running and other sports. Well, a stretched and limber brain will make you more money.



Real Danger Number Five: You Think "My Situation Is Different"

This is an extremely dangerous one. Your mom probably cradled you and told you how unique in the whole world you are. Your spouse probably has said something a tiny bit less comforting, along the lines of, "They sure broke the mold after making you!" And it's a fact that your fingerprints are unique and so is the sum of your life experiences. So far so good.

The problem comes when you use the *I'm different* concept as a shield to repel anything you don't want to hear or do.

You see a weight-loss ad and a quiet voice in your head whispers one of any number of excuses:

- She's way younger than I am—it's no wonder her body can burn off fat when mine can't.
- It's easy for an office worker to lose more weight because there's no refrigerator full of food. I'm home and it's just too tempting to open the fridge and grab something.
- It's easy for a person at home to lose more weight than I can because if you're always at home you can dictate what's in the fridge. At the office we constantly are going out to eat or having birthday cakes and so forth. I don't want to appear rude or weird so I just go with the flow and eat it, too.

That same highly skilled force-field in most people's brains can do similar repelling with any other topic—take the very book you're holding, for example.

- I could never learn to make a good second income—every other moneymaking thing I've tried has never worked.
- It's easy for native English speakers to do this stuff, but I was born in Europe and I'll always be at a disadvantage when writing things in English.
- This stuff probably worked back in 1999 when the economy was going great, but haven't you heard—we're in a real bad economy right now.
- I don't even have enough time to get a good night's sleep. And now I'm supposed to take on something else? There are only 24 hours in the day, you know, and mine are all spoken for.

The list is endless because most people have highly developed excuse generators that look like Bruce Lee in one of those martial arts movies in which he can fight off a couple dozen attackers and not even break a sweat.

I want to state clearly and for the record that your mom was right—you are unique in the world. Your spouse is also no doubt right that they're not making any more people quite like you. I'll also say right up front that I'm sure you do have plenty of challenges of one sort or another.

Given all that, here's what I'd like you to do: Instead of looking for reasons why something *won't work*, look for ways you might adapt something *to work*. Look at each interesting idea or success you hear about as a potential foothold. It might only be something you can jamb your foot into with some effort, but you will now be a step higher than you were before.

It's also how great inventions happen. A scientist let rubber cook too long by mistake and found that it became extremely hard. Rather than throw it out, he thought: *What might this stuff be useful for?* It turns out he stumbled on the process to *vulcanize* rubber, which became strong enough to make tires out of.

Another scientist worked for the 3M Company and found a particularly useless type of glue. It wasn't strong at all. He fiddled around with what it might be useful for and discovered that, if he painted some of it on the back of paper, it would stick to things but could easily be removed. He tried it on notations to his music while playing in an orchestra and it was just the thing. The *Post-it Note* was born.

Maybe you have a great invention inside of you too, but that's not my point. I only want you to recognize your mental Bruce Lee every time he gets ready to karate-chop another opportunity. Tell him instead to hit the showers while you think if there's anything useable in the idea.

Even this instant I bet your Bruce Lee is working against you: *"Well, the next time I invent glue or I am a scientist in a rubber lab, I'll be sure to keep my eyes open. But I'm just a*

(whatever you are). Nothing exciting happens to me so my situation's different."

No, it's not. In Chapter 2, which is about developing a product, I'll give you lots of ideas on how to get a product to sell. Right now all I want is for you to begin to recognize that decidedly unhelpful voice in your brain and stick it off in a corner when it pipes up.



Real Danger Number 6: You're More of an Idea Pack Rat than a Beaver

Pack rats are famous for lining their nests with shiny objects like buttons, tinsel, foil, and wire. The human equivalent is someone who is forever looking for the next *Big Deal*.

Here again, marketers are more than happy to oblige. A few years ago they proclaimed, "The Internet is dead—here comes the SuperNet!" Then it was, "Direct mail is dead—now it's all about e-mail marketing!" A short time later we all were treated to yet another proclamation: "E-mail is dead—now it's all about blogs!" Then they heralded Facebook as the next big thing—until someone else swore the real game-changer was Twitter.

These are often the same hucksters who told you that you could sit on the couch and money would spew from the TV. They want to be the pioneer whom you pay for the silver bullet that you seek to solve all your problems in one fell swoop.

It ain't gonna happen. Occasionally someone will figure out a clever angle and make some money from it. Then—just like the California Gold Rush—as soon as word gets out, there's a mad scramble to get in on the action. Prices go up and the quality of the opportunity plummets.

That story should only be depressing for the human pack rat, because the good news is that plenty of methods still work just fine for making money online. No single method is revolutionary, just as nothing is the single super-food you probably want to eat for the rest of your life to the exclusion of all else.

It's much better to style yourself after the beaver. After a bit of planning it decides that a certain spot will become its home. Then it doesn't look for the single, absolutely perfect monster tree to make a dam with. Instead it looks for branches and limbs it can conveniently find, fashioning each one to fit.

At first the dam isn't much to look at, but with steady effort it begins to work. Once the beaver dam is built the main effort is done and now only a bit of maintenance is needed to keep things working.

By all means keep your eyes open for the next technology that can make your life easier—whatever that might be. Then, instead of dumping everything else in favor of that shiny object, simply look for how it might fit into what you already have in place in that money-dam of yours.

Whew! We've succeeded in busting through lots of false barriers to your success and then making sure you're aware of the biggest real dangers to that second income we're about to build for you.

Can you see why this opportunity is not *too good to be true*? It takes some effort to ignore the false barriers and avoid the real dangers. I'll say it again: All these barriers and dangers are great for you because they mean less competition.

I hope you had your pen out and have underlined the sections of this chapter that had particular relevance to you, because I suggest you review those sections regularly.

It's so easy to be lulled back into thinking in those old, counterproductive ways.

The next chapter is the opposite of counterproductive—I'm going to turn you into a product machine so that you see opportunity and potential profits just about everywhere you look.