

# SMART MARKETING OVERCOMES ECONOMIC CRISIS!

INVESTOR FEAR OF LOSING MONEY, resulting from the current economic, financial, credit and confidence crisis chases customers away in droves. The cost of resulting inefficiencies and business lost is in the \$Billions. Meanwhile order books are running on empty.

BANKER FEAR OF LOSING MONEY reflects a history of poor loans. Given the divergence in feasibility methods (Mc Graw Hill counts 201) and questionable results (The Wall Street Journal refers to widespread "betting") this is not an unfounded fear.

WINBUILDTIT TRUMPS THESE FEARS SIMPLY BY ENABLING SALES PERSONS AND OTHER PROGRAM USERS TO SEEK, IDENTIFY, INITIATE AND QUALIFY OPPORTUNITIES USING RECOGNIZED FINANCIAL ANALYTICAL TECHNIQUES FOR FREE IN THE TIME IT TAKES FOR A COFFEE BREAK!

FOR EXAMPLE: An owner-operator recently asked a local truck dealer for the price of a used truck he needed to fulfill a 5 year contract. Placing his laptop computer on the hood of his pick-up the salesman then entered the following data.

- 1) 5 Contract duration number of years.
- 2) 1 The selected truck will be available in 1 month.
- 3) \$69000 The delivered price of the truck including fees and taxes,
- 4) \$40000 Owner-operator's annual income after all expenses
- 5) \$6900 Estimated salvage value of truck at end of 5 years.

Click <APPLY - 8>

CALCULATOR "B" responds with Internal Rate of Return ("IRR"), Modified Internal Rate of Return ("MIRR") and CAPitalization Rate in seconds.

IRR CALCULATOR "B"	
1 - TOTAL YEARS (INCLUDES 2)	5
2 - CONSTRUCTION MONTHS	1
3 - INVESTMENT \$	69000
4 - ANNUAL INCOME/SAVINGS (RATE)	40000
5 - SALVAGE VALUE \$	6900
@ NPV \$ =	-0.011087
IRR % =	54.07
MIRR % and RE-INVEST. RATE %	27.6   10
APPLY - 8	CAP. RATE % = 57.97
DEMO 5 YRS ONLY 1	MIRR3 % = 26.96

ANALYSIS: For profit withdrawn as income the MIRR rate of 26.96% applies. This is greater than mutual funds, attractive as an investment and the 5 year contract should satisfy his banker's risk concerns. The owner-operator's business plan is viable. Both owner-operator and salesman understand the same logic for proceeding. Obtaining credit is predictable.

CONCLUSION: Salesman qualifies prospect as desirable. (GO GET'EM TIGER!)

"GRAB THE BULL BY THE HORNS" AND INITIATE "COLD TURKEY" SELLING STRATEGIES In 1992 Creative Engineering was ordered to make a market survey for an

expensive mining machine. The decision was made that in order to distinguish between various \$Million dollar price tags and value of the machine as a profit producer a computer program was needed that could quickly do this before being “shown the door”. The program turned out to be HAULPLAN. Used during a “cold turkey” foray to 12 Northern Nevada Gold Mines the offer of a “free mine plan feasibility study” gained entry past guards to 11 successful calls on mine managers averaging 3 hours each. 2 likely prospects were identified but what the mine managers quickly discovered was they could also real-time optimize a mine’s plan to an INTERNAL RATE OF RETURN result. This means optimizing towards a greater share-holder value. Or, as one mine engineer put it; “The Program did in 2 seconds what just took me 2 months”. The foray definitely proved worthwhile and suggested a plan for marketing other commercial products as well.

**WINBUILDIT** was written to address this wider market. In addition to Internal Rate of Return (“IRR”), Modified Internal Rate of Return (“MIRR”) and Capitalization Rate (“Cap. Rate”) have been added. This puts in the hands of a field sales person a tool by which he or she can predict credit based on methods banks understand. Those of us who have spent months chasing prospects will understand that advantage.

**CONFIDENCE IN METHOD IS ESSENTIAL. WINBUILDIT**

- A) Gives close attention to how the client’s business plan justifies the investment.
- B) Uses feasibility methods acceptable to financial analysts.
- C) Uses return on investment methods acceptable to financial analysts.
- D) Single code enables real-time optimization to maximize client profitability.
- E) Solves credit problems at the very beginning in a way bankers understand.
- F) Simultaneous sharing of primary qualification data reduces “guessing ”
- G) Predicts management decisions frequently hidden by inept subordinates.
- H) Helps those managers incapable of making reasoned decisions.
- I) Interprets risk in terms of IRR and MIRR ranges.

**DOOR OPENER** “free mine plan feasibility study” got us in but the focus quickly changed to “optimizing share-holder value” A door opener expressing IRR can be created by watching a firms operation from afar and then asking advice from the prospect on “how to correct it” will all of a sudden make you realize what the purpose of your call really is. This is the fun of real-time optimization.

**“HUSTLING BUSINESS”** may not be your forte’ and may even sound like a dirty word but bankruptcy is an ugly alternative. You are now either a “road warrior” or broke! During the Great Depression Henry J Kaiser’s admonished “Find a need and fill it” But, to keep your head above water you must apply imagination and initiative to identify and act on opportunities. Do not expect clients to walk in through your front door. Develop in your mind the outline of an idea that can benefit each prospect. Use Winbuildit to attach value to it. Develop a short plausible explanation such as; “free feasibility study” to give purpose and value to your call and as a means of getting past subordinates. A WINBUILDIT output will support purpose. Don’t forget, clients need your help!

**APPLYING WINBUILDIT** directly with the client begins with an explanation of the vision and business plan. You then enter the details and then Click <Compute> and results similar to those above will be displayed. Out of this the client will know and the user should be able to predict what the qualification is by comparing IRR and MIRR interest rates to other

investments, optimizations, or common stocks. Real-time optimization finds the best result in seconds.

**ADDITIONAL INFORMATION** on Internal Rate of Return (“IRR”) and Modified Internal Rate of Return (“MIRR”) can be learned by searching the underlined text on the internet. This is a complex subject but what WINBUILDIT does essentially is bring financial methods used by heavy, mine, oil and manufacturing industries to use on the street. This paper presents only one of many capabilities. Visit our web sites for more information.

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