

Brian Kurtz Interview

Learn How A Legendary Copywriters Stack The Odds And Get Winners

As the Vice President of Boardroom, Brian Kurtz helped grow that direct marketing giant from about \$3 million when he started to more than \$100 million over the course of his 25 years.

He's worked with all the great copywriters and says there's a definite pattern legendary copywriters like Eugene Schwartz, Dick Benson, and Bill Jayme used to stack the odds in their favor and get winners every time. And in this audio, you'll hear what those things were and how you can use them too.

He says it pretty much comes down to the list. Although copywriters don't usually have control over the lists they're writing to, they need to know how to handle and analyze them.

Not only did the greats ask for a list history of any mailing they were about to work on, but they also asked to see the control packages and promotions that got those lists in the first place.

In other words, you need to know who the people are on your current list and what they've responded to in the past in order to write a new winner.

Brian says from there it's just a matter of becoming a slave to RFM (recency, frequency, and monetary) to see consistent results.

And in this audio, you'll get an average-Joe explanation of what that all means and how to do it.

You'll Also Hear . . .

* The 2 basic concepts every copywriter needs to understand (RFM and lifetime value) and how to make sure you've got them both down

* Why list managers try to hide things, the most common telltale signs to look for, and the five must-know questions to ask that will uncover the truth

- * How direct marketing fits into online businesses – and the one place it still has incredible power to get results
- * Why Brian says it's important to strike while the iron's hot, call the control, and pyramid slowly – and a step-by-step look at how to do that in a mock campaign
- * Insider secrets of five of the biggest name copywriters Boardroom used and what made each unique style a winner
- * Brian works as a consultant now – here's the first thing he does for every client so he maximizes his time and theirs
- * Brian's largest failure and the lesson he learned from it about trusting press releases
- * The single biggest difference between a "house list" and an "outside list" and the writing approaches needed for each
- * "Real-life" insight into how Boardroom tests their copy – and determines their controls
- * Brian serves as Vice President of Boardroom Inc., for over 25 years and Executive Vice President since 2001.
- * He's overseen the mailing of approximately 1.3 billion pieces of third class mail over the past 20 years
- * He has been able to market and sell newsletters and books via direct response television (infomercials) and using e-mail and the Internet in huge numbers.
- * At the height of his infomercial success, he was responsible for buying media in excess of \$80 million dollars.
- * Sold over 3 million books via direct response television over a three year period.

* Knows the ins and outs of every possible medium where direct marketing lives and thrives.

* In 2000, he was inducted into the DMA Circulation Hall of Fame and in the same year voted List

Never underestimate the power of copy, especially if you're looking at it as a science and not a game of chance. There are proven strategies that legendary copywriters use to stack the odds and get results. They analyze data and are constantly out to beat their own copy.

And in this audio you'll hear all about it, along with a look at Brian's amazing story and what it was like working at Boardroom all those years.

PS. I am not promoting any of Brian products or memberships and I do NOT get paid on anything you may or may not buy from him.

"If you are interested in interacting with Brian please e-mail him directly at Brian@BrianKurtz.me

Michael: Hi. I'm Michael Senoff, founder and CEO of www.HardToFindSeminars.com. For the last 5 years, I've interviewed the world's best business and marketing minds. Along the way, I've created a successful publishing business all from home from my 2-car garage. Now my challenge is to build the world's largest free resource for online, downloadable MP3 audio business interviews. I knew I needed a site that contained strategies, solutions, and inside angles to help you live better, to save and make more money, to stay healthier, and to get more out of life. I've learned a lot in the last 5 years and today I'm going to show you the skills you need to survive.

Brian: Hey, Michael, how are you?

Michael: I'm great, Brian. How are you doing?

Brian: I'm doing well.

Michael: You have a good weekend?

Brian: I did. I did. You?

Michael: I did. I can't complain. I'm all relaxed and ready to start the hustle.

Brian: There you go.

Michael: There you go. Well, thanks for taking the time to do this interview with me. I'm sure my listeners will appreciate it.

Brian: Give me a little background on who I'm talking to, what they're looking for, etc.

Michael: I've got a combination of entrepreneurs, copywriters, and marketing consultants. I don't know if you did any research on me. I've been interviewing business and marketing experts for the last 10 years. I've got a huge compilation of audio interviews at my website, www.HardToFindSeminars.com. Yeah, so I'll interview experts and I develop, promote, create, and publish information products on all kinds of stuff, and I promote the interviews to my list as adding value. And I didn't think of interviewing you. It was only until I had a client looking for the specific letter from Eugene Schwartz, and so I reached out to you and a couple people I knew and said, "Hey, do you have that letter?" And I appreciate you sending me that.

Brian: No problem.

Michael: Yeah, I'm friendly with Ben Settle and I know he did a fantastic promotion on your Titans of Direct Response.

Brian: Yeah, he did pretty well with it.

Michael: Ben is an incredible email marketer.

Brian: He really is.

Michael: During that promotion, was he the number one guy out of everyone promoting it?

Brian: He was not, only because his list was a little smaller than GKIC, but I think he was second to GKIC, which is pretty amazing by itself.

Michael: Absolutely. Very impressive. I know you've got interviews out there on the internet, I know you've got a lot of material out there. I don't want to cover the same stuff. Certainly I haven't listened to everything. I listened this morning to an interview you did with Joe Polish. I don't know, would you share some information?

Brian: I can go in a lot of directions.

Michael: I want to talk just a little bit about your history. I want to get some insights into what it was like working with Marty and Boardroom, Schwartz, what was Jim Rutz like? I've got about 600 marketing consultants. I sell how to be a marketing consultant information product and I want to maybe offer some advice to the green guys who are struggling on how to get clients. Some of the process that you've used to get clients, can we use direct mail with your expertise in getting clients? A lot of people are afraid for that face to face. Let's just roll with it. We'll have a call to action, maybe we can promote you in your consulting or maybe even the Titans of Direct Response. Let's just play it by ear because I can always follow up with a call to action.

Brian: I can certainly direct people to a site, I certainly would want them to opt in to my list.

Michael: Definitely. What would you like out of it?

Brian: I'm always interested in doing these interviews because I'm building my list. I want to put really good people on to my list because ultimately, one of the things I'll probably be doing – I've already launched my Mastermind – is that I want to do a series of what I call Titans master classes, which is 2 day events, very targeted, hot seat, helping people with their businesses, that type of thing, so having people on my list who eventually might want to read my blog over a period of time and then either meet with me – I mean, I'm not prospecting for consulting clients although stuff does happen.

Michael: Look, you never know who's going to be listening. I've been building a list for a long time, I've got about 14,000 subscribers. I used to buy and sell used Jay Abraham stuff when I got started, so a lot of them are real marketing savvy and even I don't know who's on my list, so you never know.

Brian: As far as me, what I want to get out of it, I'm doing this because I think it's a good audience for me, it's good content for you, and then the other thing, I do have an interview I did with Joe that's called "How to hire a marketing consultant."

Michael: Yeah, I listened to that this morning. Well, look, welcome to the interview. I appreciate you taking the time to share a little information about yourself. The big thing that I know of your name is you were the guy who worked with Marty Edelston and helped build Boardroom, correct?

Brian: Correct.

Michael: So, why don't you tell the listeners what was your first involvement? How did you even step into that situation, and then we'll ask some questions of what it was like along the way? How did it all start?

Brian: It's not that earth shattering a story but basically when I was in college, I was the film critic for my school newspaper, so I was really into movies. I was into writing. To the chagrin of my parents, I was an English major which meant I probably wasn't going to get a job, but at least I was going to learn how to read and write. So when I got out of college, I started applying for jobs at publishing companies, went to a bunch of different head hunters that specialized in publishing more than anything else.

I did get a job at a play publisher just out of school and there was one particular head hunter, however, for some reason, he was connected to Marty in a big way. Marty was the kind of guy – and this will be a good preamble to who he was – but he was loyal to anybody he ever worked with in his career, so he was loyal to this one head hunter that kept on bringing him great people as he started building his company, Boardroom. This was circa 1981 but this head hunter had been working with him since the mid-1970s when he started the company. So I got out of college in 1980, I was connected to this one head hunter, and one day this head hunter said to me, "There's this guy Marty Edelston who I think would love you."

I'm thinking I don't know where that's coming from, but why would this guy who I've never met before love me? And I think what this head hunter recognized was my personality was such that even though I thought I wanted to be a writer or an editor or something, he saw that I had an outgoing personality, I had kind of a sales component to my personality even though I probably hadn't sold anything yet at that point in my life, but I was interested as opposed to interesting. There wasn't much interesting about me at that point. All I had going for me was being interested, and one thing led to another. While I was working at this first job, this head hunter connected me to Marty for an interview, and it was with some part of the company that was called "list management."

At the time, Boardroom managed its mailing list in house. Most companies at the time would take the mailing list, give it to an outside list manager, and the list then would be available for direct mail people to use the list, and it just so happened that Boardroom managed its list in house. Boardroom had newsletters, did not take advertising, so the only way to reach that audience was through this mailing list and because Marty had built a newsletter business at that point to the tune of, probably about a \$3-5 million business, the lists were probably the only way not only to get to the audience, but it was also a way for Marty to create some kind of advertising revenue of sorts. It was something he kept close to the vest, he kept it in house, and the job that I interviewed for was a salesperson renting the boardroom mailing list.

Michael: Tell the listeners how old was Boardroom at the time? What did the company look like at that point? What year are we talking about?

Brian: We're talking like 1981. The company had been around since 1972, so about 9 years. Company had one newsletter, Boardroom Reports. It just launched the second newsletter called Bottomline Personal. They had a bunch of books, mostly business books, because Boardroom Reports was a business newsletter, and it was probably about a \$3 million business at the time.

Michael: How many subscribers?

Brian: I think Boardroom Reports at the time probably had 150,000; not all paid. It was sold with what's called a "bill me" offer, which a lot of people on the internet don't even know what I'm talking about when I say that, but back then the magazine business and newsletter business was very much "try it before you buy it," so you get a "bill me," you get 3 free issues, 6 free issues, you try it, you get a bill, and you actually get people to pay for it. So, 150,000 subscribers and Bottomline Personal had probably

just launched when I got there, so they had maybe 50,000 subscribers, and they had sold quite a few books.

There was one book that was kind of a general business book called The Book of Business Knowledge that had actually sold about 100,000 copies, which is a lot for hardcover book in direct mail at the time. So it was a growing company, maybe 30 employees, and I probably didn't understand completely what I was stepping into, but what an adventure to start, to be able to be part of this company kind of at the beginning. Marty had taken his life savings to start the company in 1972 and saw something in me that he thought was congruent with what he wanted to build.

Michael: So you remember that interview, the first day?

Brian: Well, the first interview wasn't with him. It was with the person who was running the whole list operation. It was after I was hired by her – and I had to talk her into hiring me because she thought I was over qualified for the job and I said, “Well, I'm making \$9600 a year working for this other publisher; there's nothing that I'm over qualified for” – and so for a \$12,000 sales job in 1981, I had to talk her into hiring me, but once I got hired I got to meet with Marty and I remember meeting with him in his office, basically saying, “Congratulations, thanks for joining us, I'm glad you're here,” and I remember one of the things in his office that was so cool – this is in Manhattan, in New York – and he was a black belt in Karate. He was a pretty strong guy. One of the things he liked to do was rip phone books, and in the corner there were all these ripped phone books, and I don't know if he had Manhattan but he certainly had Queens and Brooklyn, which were big, thick phone books. We're not talking about one of these small suburban phone books. We're talking about major New York borough phone books. I told him years later, I said, “It's pretty intimidating coming in to meet you for the first time and instead of a torture chamber, you've got

ripped phone books from 3 million population of boroughs in New York City.”

Michael: That’s impressive.

Brian: I’m not going to mess with this guy.

Michael: Did you ever see him rip one?

Brian: I did. I did. It was pretty cool. I actually have a photograph of him karate chopping a board over a stack of books, which is one of my favorite photos of him. He was an eclectic character for sure.

Michael: How did he die?

Brian: January of 2001 is when he had a stroke. It was before 9/11; 9/11 was September of 2001. And he was paralyzed a bit on one of the sides of his body but he didn’t lose his mental faculties, but over the next 12 years, there was a demise in his physical and his mental capabilities and so he died in 2013 and I think it was kind of like his body had just taken such a beating from the stroke, it just kind of gave out. I wouldn’t say he died of any one thing, but he was strong as an ox before his stroke so it was always a very difficult thing after he had the stroke and he was limited in what he could do.

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Michael: So what was your first job you got hired on? What was it you were going to do?

Brian: I was actually the representative in the marketplace to rent the Boardroom lists. The Boardroom lists were lists of subscribers and book buyers to these newsletters and books and they were all affluent executives so it was a great list. It was people who,

even thought they'd only spent \$29 or \$30 for the product, they were affluent executives for the most part who were very responsive to direct mail, so everybody wanted the Boardroom list.

Michael: And at that time, they weren't generating any list rental income when you came on?

Brian: No, that's not true. They had a list rental business when I got there. It was already doing \$1 million and a half just in list rental. We had built it up to about \$5 million in list rental at one point and we ended up exchanging a lot of names. One of the beauties of that list, because it was so diverse in terms of who could use it, because the obvious people could use it – Money Magazine and all the health magazines and Rodale books, Gore Publishing and Phillips – all those people could use the Boardroom list, but then there were all these other people that could use it like charitable fundraisers and political fundraisers and catalogers, so it was one of those magical mailing lists that would work for such a wide variety of offers because it was affluent executives who were very direct mail responsive, so the advantage for me was that I was representing these lists in the marketplace and I got to meet everybody. I got to meet everyone who was involved in direct marketing in the world from 1981 until I stopped selling the list. It was not just the list brokers, but the mailers that were mailing the lists. I got to meet a lot of them. And of course Marty was so well connected in the world with all the people that wrote for our publications that I got to meet some amazing authors and health experts and financial experts. Just a phenomenal exposure to both the direct marketing industry and the publishing industry.

Michael: Tell me some stories. Who were you in awe of? You started out; were you prospecting to build the list rental business or generate additional sales for the list? Give me the names of some of the people you met that was just really impactful on your life.

Brian: There were so many. One would be Eugene Schwartz, author of Breakthrough Advertising and one of the greatest copywriters who ever lived, author of probably the most important book ever written on copy, creative, and human behavior, was someone who wrote the original promotion for Boardroom Reports for Marty back in 1972, and by the early 1990s, Gene was using a lot of Boardroom lists for his small company, Instant Improvement, and I used to go have lunch with him on a regular business because I would just sit at Gene's feet and be in awe of all the things he could teach me, and the interesting thing is that I'd become an expert in the list business, so not only was I able to arrange for him to use the Boardroom lists in exchange for him to write copy for us, which was kind of a cool thing.

I wrote a blog post about that called "It's not always about the money," and it was Gene Schwartz basically trading his copy for Boardroom for Boardroom's name so he could promote to our lists on exchange, so he wouldn't have to pay for the lists, and what a great deal on both sides because Gene had a small company but being able to access lists like Boardroom and Rodale in exchange for writing copy was a really cool deal. In exchange, also I helped Gene a lot because I became a list expert and I was able to help him with relationships in the list industry, where he could get other people's lists and I could negotiate on his behalf, even do third party exchange agreements so he could use the balance he owed Boardroom and Boardroom would owe someone else and I could get him names at a lower price so I could get basically great lists for Gene as a favor almost, in exchange for him mentoring me and helping Boardroom with copy, so that's one just amazing symbiotic relationship. To be able to call Gene Schwartz a mentor was pretty amazing.

Michael: That's very cool.

Brian: Another one was Dick Benson. Dick Benson is probably the most important person in direct mail at the time and he wrote the best book on the topic, called Secrets of Successful Direct Mail, and Dick, at his own company that published newsletters, that published the Johns Hopkins wellness letter and the UC Berkeley wellness letter, Dick was a consultant for Boardroom. Once I started getting out of just lists and I started working on the marketing side at Boardroom, I would visit with Dick. I would go over all the testing we were doing. You would sit at his feet, again, all day long and he would just tell you what to test, what you tested that made sense, what you tested that didn't make sense, and at the end of those sessions, one of the greatest compliments he paid me – I was helping him with his lists because I knew a lot about the health list market, so for his own business I was helping him with his list just like I did with Gene – and I remember him telling me how impressed he was with my list knowledge.

My joke is that I probably could have died then and had a successful career with Dick Benson telling me that he was impressed with me, and he didn't say it with a lot of effusive praise because that wasn't Dick Benson's style, but he said, "Brian, I haven't known you that long but frankly, I'm impressed." Dick Benson was one of the greats of all time as it pertains to direct mail. He created his own products with these health newsletter, and he did consult. In fact, one of the consulting clients he's had was Contest Newsletter, which was one of the few newsletters that got to a million subscribers, and he was the chief consultant to orchestrate all of that. In his book he has a lot of case histories. He was one of the architects at American Heritage Publishing.

Michael: Take me back to the very first letter that Schwartz wrote for Marty Edelston. What kind of results did that promotion generate? Do you have any idea?

Brian: I don't have the exact numbers but I remember it launched the publication; it was a classic headline. It was something like "Read 300 business magazines in 30 minutes and get the guts of each one." Marty invented hypertext 25 years before the internet.

Michael: What's hypertext?

Brian: Basically, he invented being able to get the summarized information of the most important things ever written. Maybe a better analogy would be he was Reader's digest before Reader's Digest understood what Reader's Digest really was. Even though Reader's Digest came before him, when it came to business information, Marty understood that every great business book probably had one great chapter or one great tidbit or maybe five great pieces in it, and that was what we published in Boardroom Reports.

Michael: That was launched back in 1972?

Brian: Correct.

Michael: How many promotions did Schwartz write for Boardroom over the years?

Brian: Oh, many promotions. When we launched Boardroom reports but later on he wrote much more in the health area for us. He had his own company called Instant Improvement and he did mostly health books for that so when we had a new health book, we would go to Gene and have him write copy. Interestingly, there's a phrase about Gene Schwartz that says, "Gene didn't write copy, he assembled it." What that means is when Gene would come to us and we'd say we have a health book that we'd like him to do a package for, he would take a look at the book and go, "Well, I can write some interesting copy about these particular items but if you have some information about X, Y, and Z as it pertains to diabetes or blood

pressure or whatever, if you can get some information on that and I'm able to write certain things," he would actually send us back to the editors and say go do some research on these particular topics, so that we'd then go back to Gene with new copy for the book that he would write promotion copy for.

Gene was also someone who wrote in what we called fascinations, or called bullet points. Basically, an item with a page number; that was Gene's style that he would have a tidbit that would be so enticing and then you'd have a page number after it, and that would be where the answer to what his fascination was actually appeared in the book.

Michael: I thought that was Mel Martin's deal.

Brian: No, Mel was our guy exclusively. Actually, Mel learned that technique, he said, from Ralph Ginsburg, believe it or not, and Ralph and Gene were contemporaries in the 1960s, so I don't know who invented fascinations. Mel Martin perfected it with Boardroom and in Boardroom's copy but Gene was on it even before that.

Michael: Who came first, Mel Martin or Schwartz?

Brian: I'm going to say Gene came first but Mel became the master of fascinations for Boardroom.

Michael: How many other copywriters did Boardroom use other than Mel and Schwartz at that time, maybe in between '72 and '81?

Brian: I'm going to go '72 to maybe late 80s, we used all the greats. We used Gary Bensavenga, we used Jim Rutz, we used Bill Jayme –

Michael: Can we just say something unique about each one of these copywriters? A lot of my subscribers have heard of these guys.

What could you say about Bill Jayme? And I've got a product of copy. What would you say was unique about him?

Brian: Yeah, I did a product of his. I have something called the Bill Jayme collection.

Michael: Yeah, I must have bought it from you, then.

Brian: Yeah, that's the one. It was a \$400 product, which I currently own. Bill Jayme's specialty was what I call narrative copy. He wasn't a fascination writer, although his headlines were just incredible, and he was a specialist. One of the areas where he was the person no one could beat was the magazine world. He was fantastic at taking magazines that people kind of knew already from the newsstand and creating a mystery about them that other writers couldn't seem to capture, and most other writers that were writing about magazines that people already knew, they would sell more on price. They would say we'll give you a special deal because everybody knows the magazine already, and Bill never wanted to do that. Bill wanted to kind of create what's the mystery behind Money Magazine. His classic package for Psychology Today, "Do you close the door when you're in the bathroom and you're home alone?" It's not those exact words –

Michael: I've heard of it.

Brian: Yeah, that was a classic Bill Jayme. There were one where it was for New Yorker Magazine and it was like three sound effects, like "drop, kerplunk," or something and it had raindrops on it. And it was just like – he would tap into the emotions in a way that most writers of the time did not. He wasn't as hard hitting as a Gene Schwartz or a Mel Martin. He wasn't paranoid. He wasn't making the reader feel like it was information they can't live without. He was actually much more about entertainment and a phenomenal writer.

Michael: Anyone interested in learning more about him; you offer that package? What's it called?

Brian: The Bill Jayme Collection. People can buy it from me. I'll give them a pretty attractive price on it if they're interested in it.

Michael: And it's a compilation of all his work.

Brian: It's 10 CDs. It's every package he every wrote on PDF and then there's a DVD in that set of Bill Jayme himself presenting at an event that we did with him. It's 11 discs. I think it's 10 CDs and a DVD of Bill Jayme's greatest, basically.

Michael: It's quite comprehensive. It's excellent.

Brian: Yes, it's really good, and then I'll give you an email if people want to send me an email. It's briankurtz1@gmail.com

Michael: He teamed up with a designer. Is that correct?

Brian: Yeah, he lived with him. They were actually partners. His name is Heikki Ratalahti, and in fact when Bill died, it was Heikki that made the deal with Marty and I to give us Bill's entire collection of Bills' direct mail. Heikki was a very talented designer.

Michael: Okay, so we're talking about direct mail. How important, say in a percentage, is the design? What would you tell someone who's designing direct mail, as far as the design aspects of it?

Brian: Good question. If I had to put a gun to my head and put a percentage on it, I still think it's like 80/20 copy to design in direct mail. I think there are designers that would probably say it's 50/50 because they're designers, and there might be writers who will say it's 90/10, so maybe it's 75/25, I don't know, but the big thing I'd want to say is without really good design and a designer working in concert with a great copywriter, I don't think

your direct mail has as good a chance at becoming one of the great controls of all time as ours had.

So every one of our great copywriters worked with a great designer and they were in sync. It wasn't like the copy came in from the copywriter and Marty and I would then just send it to any designer of our choosing. We actually had the copywriter choose the designer, they would do the copy, they'd be talking to the designer throughout, and then once the copy was done, they were working together on it once the copywriter gave the copy to the designer, as opposed to us deciding who the designer should be.

I think as time goes on, design is getting more and more important, especially on the internet, and in fact I heard from somebody who's a marketer I really, really respect, who does mostly online products, and he was at a conference speaking once, and he said in a creative department with 10 people, it used to be 7 copywriters and 3 designers and now it's 3 copywriters and 7 designers. I didn't take that comment lightly because I Trust the guy who said it, so I Think design is just critically important because if people aren't going to be engaged with the copy, there's no chance they're going to read it. Again, obviously I'm a slave to "great copy is great copy" and to think that because email is cheap or the internet is less expensive to market on that you can throw any copy up there and it's okay. I think there's incredible leverage in creating world class copy.

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Michael: Tell me a story about Jim Rutz and maybe one of his biggest successes with Boardroom.

Brian: He had a few of them. I was just in Arizona a couple of weeks ago and I had lunch with his sister. After Jim passed away, I

wrote a blog post called “A copywriter closest to God,” and Jim was such an interesting, interesting man. First of all, his sister sent me his entire swipe file so I have it all in two boxes in storage and I have to figure out a way to create a product from it.

Michael: How many years did he write for?

Brian: Oh, he had to be over 20, 25 years, I would think.

Michael: How did he die?

Brian: He had a bunch of mini strokes over the last couple of years, so I think ultimately it was high blood pressure and probably a stroke that killed him.

Michael: So tell me about a big win.

Brian: So, had a bunch of big wins but one of the things I talked about in that blog post is this notion that he was able to write more traditional direct mail but he was also able to launch a church. He had this thing called the open church that he created and it was the love of his life, so he would actually write promotion that would bring in people to this open church. Selling religion is hard and he did it in a spectacular way. One of his other favorite things that he did – there’s that one, there’s another one that I want to tell you about, and then there’s a third that I want to do for Boardroom – but there was another one that he did where he was actually looking for a mail order bride.

He hadn’t been married and he wanted to find a bride, and he went on various sites and he wrote this incredible letter. I think the headline was something like “Wanted: damsel in distress, distress optional.” Just a brilliant profile of Jim as a knight in shining armor that never found the love of his life. For a guy that had written promotion copy for newsletters and books and

information products his whole life, to do amazing promotion for both a church and then for his own love life was pretty amazing.

Michael: Did he find a bride?

Brian: He never got married. He did have a woman from Russia that I think he came really close to marrying but I don't know what happened.

Michael: I wonder if that influenced Gary Halbert when he wrote that huge full page ad in one of the LA newspapers.

Brian: They were influenced by each other, I know that. Rutz wrote in the same era as Gary Halbert and I'm a huge student of Halbert as well, so they knew each other. I have a feeling in this particular case, Rutz might have been influenced more by Halbert because you remember later on with Evan Pagan and the David D'angelo stuff and I think Evan was very much influenced by Gary Halbert, so I don't know where the origins are on all of that.

Michael: So you had the church, the dating ad, and then you were going to tell me –

Brian: As far as Boardroom, he did a package once – I guess it was right at the beginning of Bill Clinton's first administration and Hillary was I guess working for health reform, and it was this package that was almost cartoony. There's one where Hillary was on the cover and it was like Hillary milking the system or something like that, she was pulling these udders of these cows – it was almost like on the border of cheesy and it was so powerful and a narrative, that I remember Paris Panpopoulis, one of the great copywriters that we worked with later on, said this is the kind of package that you could look at all day long and you would never be able to imitate it. Jim Rutz was so hard to imitate.

There was another package similar to that that he did for us for Bottomline Personal, which is our consumer newsletter, and again, it bordered on cheesy. It was something like “Champagne Sherry and Limo Larry” and he had this fictitious couple about how they lived on champagne and caviar and had big cars and big houses, and I’m thinking this is never going to work to our audience. They are aspirational but I didn’t think it was going to work, but the way that he finessed the copy to get into the heads of people who were aspirational without making them feel bad by looking at people who were living with the rich and famous was just so artistic, the way he wrote that.

The beauty of Jim Rutz is he had his finger on the pulse of what was happening in the world at every single moment. He’s a great example, as is Gene Schwartz. The power of reading everything, knowing what’s happening in the world, knowing current events, and not being a slave to current events in your copy because you don’t want to be stuck on something that you’re going to have to revise as the world changes, but to be so in tune with what’s happening in the world so you can write copy that would resonate with a much wider audience based on their fears, their desires, what’s happening in the world.

So the Hillary package with people worried about the future of healthcare, Limo Larry and Champagne Sherry because at that point we were talking about the wealth gap back then. This is probably in the late 1980s and early ‘90s and we were talking about the same wealth gap that we’re talking about today, and Jim had his finger on the pulse of that. He did a package for our tax newsletter and again, he understood that it wasn’t that Americans shouldn’t pay taxes but you should only pay what was right. I guess he was a libertarian for the most part, so he was so committed to capitalism but also fairness that that came through in his copy all the time.

Michael: Tell me the story about Gary Bensavenga. When did y'all first bring him on, what did he work on? Tell me about big win from him.

Brian: Man, he had some huge wins. The guy is probably the best living copywriter, and I had the privilege of having him speak probably for the last time at my Titans event, which was one of the thrills of my career, and of course attending the Bensavenga 100 in the mid-2000s was also probably the event of all time for copywriters. I guess the beauty of Gary Bensavenga – I talk about this when I talk about Gary – is that he was the kind of guy that he would rather beat himself than get beat, and every copywriter that's been great in my life that I've worked with, and I've worked with all the greats, their attitude is that if they write a control, they get a package that becomes the control package and it's a winner, the first thing they want to do is beat it, as opposed to sit there and rest on their laurels and wait for one of the other great writers to beat them. Gary was like that.

I remember he had one winner for us; it was a survey package and it was kind of a mock survey where it was like a package for Bottomline Personal where it was "We'd like your opinion and please give us the answer to a couple of questions," and then it was a gift certificate for a free trial subscription to Bottomline Personal, so it was sort of like the survey was an involvement device to get them into a free trial subscription. A little gimmicky, not low integrity and not a scam by any means, but certainly a mechanism that got a very, very high front end response because people love surveys, they love to be involved, so it was a great involvement device the way he did it, because he talked to people – "We'd like your opinion as if you're part of our family at Bottomline" – so he really got under the skin of people who were already customers and then at the same time, they were mostly ex-buyers to the publication, and he got them to re-up for a trial subscription. When that became the control, he said, "You know, Brian, I'm getting this incredible

response rate but the pay up isn't that high," meaning that a lot of people were trying to because of the gimmick, but by the time they got their first 3 free issues, a lot of them weren't paying up for it, so then they would fall off the list because we didn't get them to pay. So then he went the complete opposite to test against it, and he tested what we call a bookalogue, and a bookalogue at the time – and they still are out there – I think the first one he did for us was 64 pages of copy. It was almost like a little 6x9, almost like a little digest booklet, and it was heavy copy. The survey package that he did was very sparse with copy, a simple #10 envelope with a very, very simple letter and the bookalogue was the exact opposite; 64 pages, very engaging, lots of "steak", like we gave away some of the secrets and then you got 5 of the 7 secrets and to get the other 2 you had to get the free premium, so it was a sizzle and steak kind of thing. What happened with the bookalogue to the same audience, we got a much lower front end response, meaning that we didn't get as high a front end response rate to the trial subscription, but the pay up rate almost doubled, meaning that the engagement people of a bookalogue with people reading at that deeper level got us a much more qualified potential subscriber and therefore once they got the free issues, they were already wedded to the product in a much deeper way than the people who went to the survey package. To give you real numbers, the survey package sometimes did a 4% front end response but we'd get 20% of them to pay up, whereas the bookalogue package might only do 2.5% front end, but we would get sometimes 50% of the people to pay up. When you think about that, it's not just the pay up and the money but then the amount of free issues you gave away and didn't get a paid subscriber went way down. Then if looked out to year 2 in terms of the renewals, the people who came in from the bookalogue, they renewed at a much higher rate because they were wedded to the product at a deeper level, that after getting it for a year, they were actually doubly wedded, if I might use that phrase, whereas if they came in from the survey package, even if they paid for it, they did not renew at as high a rate. The beauty

there that Gary understood was he really understood lifetime value as it pertains to the copy that you write. I always like to say how you promote is how they will respond and how they will pay you and how they will renew, so people who are copywriters listening to this, and people who are marketers who are hiring copywriters, never underestimate the power of the level of copy that you're putting out there for the initial acquisition package and how engaging it can be not just in terms of the first sale, but the second sale and third sale.

Michael: That's impactful. Did these guys all know each other? Did they talk with each other or did they view each other as competitors? What was it like, the atmosphere?

Brian: They were competitors, sure, but they were incredible admirers of each other. In fact, Gary and Jim Rutz were friendly competitors. In fact, the two of them – I don't think they ever got together on this, but they both were the fathers of the magalogue, which was an 8.5x11 type of format that was a direct mail format – there was another guy named Dick Sanders who was an early magalogue writer as well – but the beauty of Rutz and Bensavenga is that they perfected the magalogue and they got control packages from it, and they were also so good that they were also in sync on the fact that for the biggest mailers they worked with, they didn't even have to charge an upfront fee, that they would work completely for free and it would be completely a royalty based situation where they would get paid on names mailed. Now, later on they became in such high demand that they would get an upfront and a royalty.

Michael: But at first Rutz and Gary Bensavenga would offer their services for free and just earn their income on a royalty?

Brian: Yeah, they did, early on before they were as well known and as in demand, but they were also making huge amounts of money because they were the best writers. Those are the two that could demand that. I also think that they set the stage for the

way copywriters are today. When I did my Titans event, Gary Bensavenga spoke, and after Gary Bensavenga spoke, I did a panel of what I call my Mt. Rushmore of Boardroom's copywriters over the last 20 years, and I put on stage four writers who were responsible for 650 million pieces of direct mail just for Boardroom.

Michael: Who were they?

Brian: Those four guys were Paris Panpropoulis, David Deutsch, Eric Betuel and Arthur Johnson, and while all four of them had not met each other each until that moment on stage, it so happened that David Deutsch and Paris Panpropoulis were very, very close friends. Eric and Arthur were admirers of each other. Arthur used to read Paris and David's copy all the time to get ideas. Paris would tell me that when he would want to write a package for us and look at the control from Arthur, if he thought he couldn't beat it, he wouldn't even take the assignment.

So they were competitors but incredible admirers and in fact, in some cases, I think some of them over the years – not just those four but others as well – would actually compare notes on copy. One of them would kind of coach the other and they'd reverse that, so I don't know who did this with who, but they were helping each other, copy chief, so to speak. And I know that a lot of them were mentored. Jim Rutz mentored Dave Deutsch and one of the packages we did with Jim Rutz on our tax newsletter when we were going back and forth with Jim, Jim said "My apprentice David Deutsch wrote this particular piece of the package," so then we started a relationship with David directly because of that. Jim was fine with that.

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Michael: I know David, and let's talk a little bit about David. What is his specialty? Where are his strengths in regards to copy?

Brian: David's an amazing copywriter but David's an amazing teacher as well. I've seen him train and teach a lot of copywriters who are just coming into their own today who would probably give David as their mentor, and David's big thing is he's so meticulous about his copy and how he writes his headlines. He's got his own methodology of how he creates copy, but he is just a master at finessing the words. I've seen him just reword things that seem so simple that change the essence of a package.

Michael: You said Bensavenga, when he would get a control, he wouldn't stop there. He would maybe come back to you guys and try and beat the control, so his incentive to beat the control were larger royalties.

Brian: Correct. If he's got the control, he's got a winner, so he's going to get the royalties. If someone beats him, he's going to lose his royalties, so that was his incentive. That's why I always warn against writers – I mean, they have to be good enough to get royalties in the first place, but once they're good enough to get royalties, for them to not want royalties and not want to get paid on performance, to me is a sign that they're not willing possibly to put their stuff out there and to constantly try to beat themselves.

Michael: So how does one try to get the control? You gave the examples of you don't have to pay to subscribe so you hope there's a pay out at the end. Who wins the control, the one who brings the most money in?

Brian: Always.

Michael: So it's always about the money. How long does it take to determine?

Brian: It could take 3-4 months to call a control from a mail date. Online you can do it obviously a lot faster with the cash up front. In direct mail with the cash up front, you can determine it in a pretty short time as well. You can win on front end and lose on back end, but for us, because we had a bill me offer, it always had to be based on P and L.

Michael: Let's say I'm a hot shot copywriter and you like my stuff and Boardroom accepts me to do a trial for a piece and I write the piece and I'm brand new; how many names do you test on new copywriters' package when you start?

Brian: In direct mail, our rule of thumb was to do 25,000 name panels because we were trying to back in to some way to get about 100 net orders, so that was a way to back into it. Let me just do the math on that so I can check it, but for example, if you mail 25,000 names and you can get on the front end 2.5% response rate, that'll give you 625 gross orders and let's say you can get 30% pay up, that would give you 187 orders. That would be kind of a statistically significant number that you can judge it on, so we backed into the 25,000 name test panel to try to get to a minimum of 100 net orders, so that if the response rates were a little bit lower on the front end or back end, we'd still get 100 net orders. And you'd test that 25,000 against a 25,000 similar panel to the control, which is not part of the bulk part of your mailing.

Say you were mailing a million names; you might mail 800,000 names that all go to the control, and then the other 200,000 could be 8 test panels of 25,000 names each. One of those would be a control panel and then the other 7 would be tests, and one of those tests would be the hot shot copywriter.

Michael: Interesting. So, we hear all the time copywriters hear how important copy is and certainly it is important but it's not the whole name of the game, so in Boardroom, talk a little bit about

the list selection that these hot shot copywriters – the names that these test panels are going out to. How big of a part does that play in the net results of sales in a marketing package?

Brian: It's huge. I don't know if it's half or 60%. There's a rule of thumb that says if you mail the best piece of creative of all time and you mail it to a list that's not targeted, not the right audience, not the right people, you'll get no response. If you take a package that's written by a B copywriter or C copywriter that at least has the basic elements of the offer and what you're offering and you send it to a list that's psychographically and demographically targeted, you'll get some response. Is that saying that the list is more important? No.

What it's saying is that without understanding the list you're going after, you're making a huge mistake writing copy in a vacuum, so the point for your copywriters on this list, I can tell you that over 30 years of working with the best copywriters alive, ever, who have ever lived, a copywriter who's not interested in the lists I'm mailing, the lists that have worked, the lists that haven't worked, that hasn't asked me for a list history of the product I'm working on, I'm almost always going to disqualify them, especially if they're a new writer and they're a writer who thinks they can write a control package, not understand the list universe at all.

Now, as far as the test panels themselves, the copywriter has to leave it up to the mailer to figure out how to do the test panels and make sure that they do them scientifically correct and make sure that they're demographically similar and they do the splits right for the test panels and that they're selecting the list properly. It's not the copywriter's job to necessarily select the lists, but to not ask about the lists and the makeup – you know what? A great copywriter is not only going to get a list history from his client to see what lists they're mailing. Once they have that list of lists they're mailing, a good copywriter is going to find out what are the control packages that got those

lists, or where the promotions that got those lists? Think about all the things a copywriter can learn about the lists they're going after when they can see the people that are on the list and what they responded to previously.

Michael: So in some essence, it's really not a level playing field when we're talking about all the copywriters who are writing for control packages because ultimately it's up to Boardroom in their list management –

Brian: No, that's not true. You didn't understand what I said. It is up to Boardroom to have the proper list universe to mail, that's true, so the copywriter has to choose clients who know what they're doing, but it's totally up to the copywriter to, once they choose their client correctly, they're writing a package for a particular universe that has a control package –

Michael: I understand, and they know what list it's going to before they write the package.

Brian: They should be asking about that.

Michael: Because that's their market.

Brian: That's their market, right. So, yes, if you have a client that doesn't know what the hell they're doing, sure the copywriter's never going to get a control and the odds of the mailer being in business for the long haul is slim also, so the question was kind of the wrong question. The question really is what can you do as a copywriter to stack the odds in your favor to get a winner? But you're only going to work with clients who understand direct marketing principles.

Michael: Can we talk a little bit about the importance of the list? What it looked like in Boardroom and your involvement in the list selection? That's a huge part of -

Brian: Yeah, it's my life blood. I was in the list business for 20 years. That's what I did. So, if you're doing list selection, you want to be able to analyze the list. What I said before, the promotion that got the name is critical, so through all of my research, whether it's my years in direct mail or currently now when I'm looking at affiliate deals and lists that I want to mail my promotion to online or my clients' promotion online, I want to see what's the promotion that got that name? What kind of approach did they use to bring that list on file? Beyond that, you need to be a slave to RFM – recency, frequency, monetary – which is the science of list selection and it's as true today as it was 50 years ago. Recency, the R, is how recently have they responded, and the more recent they've responded to something, the hotter it is. Frequency; how often do they respond? Are they multi-buyers? Are they multi-responders? Do they respond to multiple offers? And monetary, how much did they spend and what do they spend their money on? All of those factors, when you're doing list selection, are critical.

Again, if you're a copywriter, not understanding RFM, not understanding lifetime value, not understanding these basic concepts, I think puts you at a deficit against other copywriters who understand those things. Because you're writing to people – just a simple thing like this; you go to a client and you're going to write a package for them, you need to understand am I writing to people who bought a product before or not? Am I writing to people who understand this brand that I'm writing under or not? Am I writing to people who are wedded to this brand or product in some way beyond what the new product is? And if I don't understand those basics about who I'm writing to, I'm going to lose, and if I don't write versions of my copy to different list segments, I'm going to lose.

Writing to the house list vs. the outside list, whether it's online or offline, it's a completely different message, and if I'm a copywriter and I want to get the control – more times than not at Boardroom, we had two controls; one for the outside list and

one for the house list. Talking to people that knew the Boardroom brand or the Bottomline brand, and then talking to people who never heard of us before, it's two different copy approaches.

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Michael: Is there a lot of fraud in the list rental industry today?

Brian: I don't know. Growing up in the list business, there was a lot of trust because you would rent a list for one time use. I don't think that fraud was rampant. I don't think that people would rip off lists indiscriminately, and as a list owner, you weren't going to rent your list to people who you felt might rip you off, so you were very careful. There were a lot of checks and balances, so the answer is no. That's why online, it's easier to protect because when you're doing affiliate deals where someone is using your list, you're doing the mailing of it so you can control the messaging to your list whereas in direct mail, you would actually send the list out to somebody and they would do it themselves. But you would decoy your list and you would be able to protect it pretty well.

Michael: So if I'm looking at data cards for a mailing list to consider a direct mail package I'm going to write and I'm talking to the list manager, what would you tell one who would be in that situation are some must things as far as research that you should ask that list manager before you decide if it's a list you're willing to invest and test.

Brian: Well, there's a lot. I wrote an article years ago called "Guilty until proven innocent" and it was all about data cards, so you have to read between the lines on a data card. I haven't really looked at a data card for years but I lived in data cards for 20 years, so I'll give you a few key things. One is source; where did the list come from? So if you can get a list that's all from

direct mail and you're selling through direct mail, then that's better than people who might have come out through the internet or came through space advertising, and then you also want to see what kind of approach that people use. I said this before, getting a copy of the list that got the name, whether it was a #10 package, whether it was a bookalogue, whether it was a sweepstakes. How you mail is how they respond.

Michael: So what do you ask for?

Brian: A copy of the mailing piece that got the name of the list that we're renting.

Michael: Are most list managers willing to do that?

Brian: They should be. They should be able to get their hands on it. Even if it's a PDF of something, not an actual, they should be able to tell you what it looked like. Yeah, they should. You also want to really ask a lot of questions about recency, frequency, and monetary. How recent are these names? Hotlines? Are these the last three month buyers? Are they the last three months inquiries? What did they do in the last three months? Did they buy? Did they raise their hand? Did they get a free report? Ask a lot of questions about recency, ask a lot of questions about if they're responding in the last three months, did they buy previously? Are they multi-buyers? Because a multi-buyer select will give you a much higher response rate, and then what did they spend? If you're a cataloguer or someone with a very high ticket, how much they spent could be a big factor.

Those are some of the basic things but most list managers will try to hide things by saying "100% direct response generated." Well, what does that mean? Were they generated through direct mail? Were they generated through space ads? All of those things are worth knowing and usually all of those things you can select on.

Michael: Okay, so back to Schwartz. When he was writing packages for Boardroom, can you talk a little bit about what did his own Instant Improvement company – what was he marketing and selling and how was that going for him?

Brian: Health books, very alternative, a lot of Chinese medicine. They were very small books. If I had to say, they were less sophisticated in their content than what we were selling, than what Rodale was selling, but he was able to compete because his promotion was so good. He was able to get the lists, and he was fulfilling a need for people to try a lot of alternative type of medicine, which at the time was state of the art.

Michael: He had a stroke as well, and lost the use of – was it his left arm or his left hand?

Brian: His right, actually; he wrote with his right and he ended up learning how to write with his left and type with one hand with his left.

Michael: Now, when he wrote that piece “Burn disease out of your body,” is it true that he wrote that direct mail letter for that – I’ll call him a doctor, because he helped him regain the use of his hand?

Brian: I don’t know the whole story on that. I think he was able to regain a lot based on a lot of things that he did. He was one of those guys that was such a lifelong learner and sharer that anything that he experienced he would share in his copy. So I don’t know all the details of that but I know there was some truth, obviously, to that.

Michael: What does direct mail look like today? Is direct mail dead today because of the internet?

Brian: Absolutely not. On the other hand, there’s a podcast on my website called “Everyone’s going right, time to go left,” and it

was an interview with Joe Polish, and what we talked about in that interview was that direct mail is going to get tougher and tougher and it already is very tough to do acquisition and lead generation as sort of the first step, because it's so expensive with postage and printing.

On the other hand, there are still people doing it because they're prospecting in a category that's so saturated with online and email, that direct mail can really get the attention. But I think where direct mail has incredible power right now is on the back end of an online business. Your listeners here who have listened to me before, and I know you've listened to me before as well, that I think everything has got to be considered in a multi-channel environment. I own the URL www.SingleChannelMarketingIsSoBoring.com. If you go to www.SingleChannelMarketingIsSoBoring.com you'll actually redirect to my website, because I think that being beholden to any one channel is just crazy, so direct mail becomes incredibly powerful on the back end.

When I get new clients now, one of the first thing I do as a consultant is I really try to pick apart their house lists and see what lists do they own, and more times than not there's a segment of their list that might have been generated initially through the online environment that are spending a lot of money with them, that they could actually invest in a major direct mail campaign to sell even a higher priced product, and actually the package itself in a small quantity could be something three dimensional, could be a book, could be something of tremendous value, because the idea of investing in someone who's already spent a lot of money with you, investing even more money in media called direct mail.

Direct mail can be mailing 100 pieces as opposed to a million, so when people say direct mail is dead, I think what they're talking about is the hundreds of millions of names that we used to mail, and maybe that piece of the business, if it's not dead,

it's certainly on life support because it's just hard to mail millions of names profitably unless you know what you're doing. But if you can incorporate the elements of direct mail marketing into everything that you do on the back end of the business or even if it's on the front end of something that's going to end up being very high ticket in the end and you have a very targeted list, I think direct mail still has a tremendous viability. But like everything else, it's got to be done with a lot of care and because it's pricy, but direct mail is not dead. In fact, I know someone in my mastermind group who's going to build a \$100 million business and the foundation is going to be on direct mail.

Michael: That's fantastic. Can you share with me a huge failure that you experienced or witnessed in Boardroom, and what was the lesson you learned?

Brian: A couple of big ones. One was probably under the heading called "don't believe your press releases." There's a long story that goes with our launching of an amazing infomercial program on direct response television. It was in the mid-2000s and it took me 20 years to figure out how to do infomercials but when I finally figured it out in the mid-2000s, we went out with like 4 or 5 of our first infomercials all were incredible successes. If you looked at the whole infomercial direct response TV franchise and how it brought back to direct mail and online, it was probably \$250-300 million over a three year period.

Michael: Was that selling books?

Brian: Selling mostly health books. So when we got something to work, a lot of people told me – I got 4 out of 5 to work right away – they told me this is unheard of. The odds for an infomercial working was 1 in 15, maybe 1 in 20, and of course I started getting kind of big for my britches and I started thinking I got the formula, I know how to do this, and we started doing a bunch of infomercials in different subject areas, trying to use

some of the same formula, but kind of branching out, and infomercials were expensive. You're talking about a very high investment in promotion, in development costs –

Michael: How much?

Brian: Minimum, \$100-150 thousand but you could spend a million, \$1.5 million on a show, and the irony is that the media you go out with to test it is probably \$15000-20000 and then when that doesn't work, you know you're either in or you're out. It's not like direct mail or online where you can start revising and figure out how to make it work and tweak it. You're dead, basically. You have to start from scratch, for the most part.

I would say we did 7 or 8 infomercials after those 3 or 4 and every one failed. Now, when you have \$200 million cushion to work with, even if those 7 or 8 cost me a few hundred thousand dollars each, I still probably took, of the \$200 million, I probably took about \$3 million of it and threw it out the window. I don't know if I would have done differently except for the fact that I probably was a little less cautious as I did each one because I was overly confident that I could produce the same kind of success again, so it's a simple lesson of "don't read your press clippings," but also in marketing, the line between success and failure is so thin, and so really, really not being flippant about any of that is critical.

I think another big, big mistake in my career is as we started moving from offline to online, I made a huge mistake because I was not an expert in online and yet I wanted to be. I put myself in really good position. I got myself involved in – probably not fast enough – involved in mastermind groups, involved with people who were kind of doing great stuff online, but I kind of got sold a lot of bill of goods without doing my own due diligence. It's a classic case of doing what you do best. I like the idea of outsourcing and buying stuff around the corner, but when you buy it around the corner, you still have to make sure

that your oversight is solid, especially if it's the future and you're investing a lot in it. So like a lot of offline publishers, we threw a lot of good money after bad as far as online marketing and web and all that. I'd say we actually spent less than most because we didn't invest too much in infrastructure, but in retrospect I think I trusted too many opinions of people that were not as expert as I thought, and that was my thought.

So that's a due diligence on what people's real expertise is, and I think there are so many better tools today, but in terms of HR and track record of models that work that I don't think I would make that mistake again on behalf of a client. It was a little bit of wild, wild west and I wasn't as cautious as I should have been, and I trusted the judgement of people who I assumed knew more than me and they probably didn't, and that was a big mistake on my part.

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Michael: With the infomercials, what was the net effect? You had three wins and you had more losses, but did those three wins make up for all the losses?

Brian: Yeah, the three wins were probably responsible because I added direct mail to those three wins, I added online marketing to those three wins. They probably accounted for \$200-300 million somewhere. Each loss was – call it a couple hundred thousand.

Michael: And you couldn't really put your finger on or figure out the reason of the failures?

Brian: I have a saying that I've predicted every test that I've ever done in my career with 100% accuracy once I had the results, so once I had the results, it was obvious why each one didn't work. On two of them in particular that I loved – well, one of them I

loved and it was such a good show – I still believe it's a good show but it didn't work because it was about prevention. It wasn't about cures and in the health area it's really difficult to sell prevention. It's actually difficult to sell prevention in anything.

And the other one that didn't work was way too comical. We actually tried to inject a lot more humor and they say in direct mail humor can't work, or in direct marketing you shouldn't use humor, and I've seen levels of humor work, but this was too sarcastic, too funny, too much about entertainment, and not about the information which was really very serious, and I think at the time it felt great but then we realized that the information that we're selling is serious. It's life or death. It's health information.

The shows that worked all had Hugh Downs or some credible news person and a health editor and experts in the field. So, when I took that out, the experts didn't fit well when I threw them in with humor, and they didn't fit in when I fit them in with prevention as opposed to cure, so I was able to figure out why but at the time, as I said, I really felt I had great content. In every case, I had great content to deliver. This is also another lesson. You think you've got great content and anybody who gets this content is going to improve their life. Great, but how do you present it if it's not congruent with what the consumer really wants? You're going to be paddling upstream.

Michael: When you take some chances on that, and I know it's a team effort and Marty I would think was involved with the whole process –

Brian: He wasn't involved much at all in the infomercial process.

Michael: Were you bummed out? Was it stressful when you're losing money like that, as an employee for them?

Brian: It was stressful because I really thought we could get another big winner.

Michael: Did you keep trying for that big winner or did you pretty much say let's be happy with what we have, with those three wins?

Brian: No, I kept trying, of course.

Michael: Did you get another big winner, infomercial?

Brian: I did not.

Michael: So what made you stop?

Brian: My doctor. My head hurts. I had to stop banging my head against the wall. It hurts. Maybe you should stop banging your head against the wall. But I also saw some signs that were not just about us. I'm not that stupid, but there were some signs that the infomercial business was changing, too. The advent of Tivo at the time and then DVR, I think the business was changing. That's what kind of moved me out of it as well, but it was really a function of realizing that we had a magical run with a series of products and then the other products that we thought could work just didn't, and it is what it is.

Michael: How about with the direct mail pieces? How many losers are there compared to winners? What does that look like for somebody who has no clue?

Brian: A winner to me in direct mail, I want to get at least a 30% list in response and it's a very small percentage that get 30% lists in response.

Michael: Clarify on that. What do you mean?

Brian: If I have a control that's indexing 100, I want to get at least 130 in terms of my net index, so if I get a net index of 15, I get a 115
—

Michael: All right, you got to put it in English. These people don't know what net indexes are.

Brian: Okay, so basically, what I'm saying is that if I get a 1% response, I want to get at least a 1.3% net response. In other words, remember when we talked about P&L is the most important, so whether they're paying up front or not, so it's 1% vs. 1.3%. To get 1.3% is significant from 1.0%. If I get a 1.15%, it's still fairly significant and usually I can get a new control that way, so the times you get a 1.15% or a 1.3% - and again, I'm using 1% as my number - it could be 2% and then I need the 30% would be 2.7. You understand what I'm saying, right?

Michael: Yes.

Brian: You're not going to get winners like that more than probably 10 or 15% of the time at best, and usually it's because you went out to a new copywriter or a new piece of creative and did it from scratch and therefore changed the game in that particular product, so tweaks like changing a headline or changing a cover or changing an adder envelope, or changing a subject line in an email, those usually won't get you 30% lifts. They might, but that's very, very rare. That's like way less than 10%.

Michael: So with each test package, you say would go out to 25,000 names?

Brian: In direct mail? Yes.

Michael: Okay, so if you show some promising results with the first test of 25,000 names, what's the next step up with the same package, as far as quantity of names, and how do you protect yourself from not losing on the next mailing?

Brian: Well, you've got to strike while the iron is hot, so you're either going to call it a new control or not, so on a list, you want to pyramid slowly, pyramid meaning the next test, so forget creative tests for a second. If it was a list test of 25,000 and it worked fairly well, and there was a million names available on that list, I might only go from 25 to 250,000. I'll go like 10 times, maybe. If I have a creative panel of 25,000 against another control panel of 25,000 and I get a significant, over a 15% lift, I'm going out with the new package, the 25,000 winner, as the control in the next mailing, which could go out to a million names.

What I might do in addition to that is do what we call a back test, so a back test would be that I would take the old control and make sure that I have a 25,000 name test panel in the next mailing of the old control against the new control of a 25,000 names test panel in addition to all the other tests, so at least I will confirm how much of the list I really got. But I got to tell you, you do a 25,000 name panel for a new piece of creative, get more than a 15-20% lift in response rate, I don't care how big my mailing is. I will probably roll that new package to the entire list.

Michael: Have you ever lost on something like that?

Brian: No. You get the same. That would be like the worst, right? And one of the things people should know, and this is something we did test and people do – a lot of times they have a thing called double flighting controls. So, remember I gave you the example of a million piece mailing and you've got 200,000 pieces of test panels, so you've got 8 25,000 name test panels. In some cases, we would actually have two 25,000 panels of control, like exactly the same.

The reason you'd do that is that even if you can split the lists up to be demographically similar, a cross section of all the different

tests panels, we would often see discrepancies between two panels of the same creative package that could be different in response rate by as much as 10 or 15%. That 15% lift is sort of the minimum you want to go with in order to roll out completely. What happens is if I've got two control packages in a big mailing and one does 100 and one does 115 and I have another test panel that's doing 125, is the 125 better than the 115 or the 100? And then I take the 100 and the 115, which are the two identical control packages, call it a 108, and now I think with my 125 test panel, I'm even more confident that I probably have an even bigger winner, but that's why you don't want to roll out without a decent lift.

If I only got one test panel that indexed like 106, like 6% better, that might not be enough for me to roll out to a big mailing with that on the next mailing, because it could have been a 94 as well as it could have been a 106, so there's a lot of detail there. The big issue is you've got to believe your numbers and you got to get a big enough lift to say I'm confident that this lift is going to hold up when I roll out.

Michael: I want to be respectful of your time so we're going to start wrapping it up. I want to ask you why did you leave Boardroom and what are you doing now?

Brian: I spent 34 years helping build the company. When I got to Boardroom in 1981, I said it was about a \$3 million business. Marty and I grew it to \$157 million in the mid-2000s – a lot to do with that whole infomercial business that we did – I think our biggest year was \$157 million. We were \$100 million for a good chunk of the time that I was there. I was a partner in the business, I had equity in the business, and I got to a point where I kind of wanted to figure out some other direction for the company. It's a family owned business so I didn't have complete control of what I wanted, so in a cordial way, I decided I'm not going to be able to do what I want to do with these particular assets long term, so I left on really good terms.

The family wants the company to go in a little bit different direction, and that's fine. I wish them well. I still wish them well. I have a lot of friends and people there that I love very much.

I only left this past year, so in the last year what I've done with my own business, which is called Titans Marketing, is I've developed my own mastermind group. Right now I've got a group of 23 incredible companies and entrepreneurs who are just really interested in multi-channel marketing, interested in building their business 10x and building their impact 10x even more than their business, so I'm working closely with that group and that's like my core group of clients, but it's really more of a regular mastermind group.

And then I've got a lot of consulting clients, a few of which I'm really immersed with, whether I have a position on the board or whether I have an equity position in the company or I'm developing an equity position in the company or I'm on retainer. I also do like hourly type consulting. I coach with young entrepreneurs. I also do some consulting where I'll do day rate for certain clients who just want to spend a full day brainstorming their marketing plan, so I've done a few of those, and then I'm going to create some products.

I've got a product I want to do, speaking of copywriters. I'm going to do a product with AWAI called "Marketing Essentials Every Copywriter Needs to Know." A lot of the things on this call are things I'm going to have in this course, things like copywriters really understanding lists. That's a big, big thing. I'm glad you asked the question because that's a big thing for me.

Michael: What does your mastermind look like? How much is it?

Brian: The mastermind is \$20,000 a year. I'll never have more than 30 companies in the mastermind because I want to keep it intimate, and I have to interview people to get them in. I

interviewed I think 40 companies to get the 23 that I have in now.

Michael: And what do they get for \$20,000 a year?

Brian: It's three 2-day live meetings. We meet for two full days, three times a year, and that's hot seats, that's guest speakers, that's presentations from the members. It's a pretty intense two days of content, people helping each other with their businesses. It's a pretty good offering. Then the other 9 months where we don't meet are months where we have a phone call and on those phone calls, I have guest speakers that we do, mini discussions on various topics, people can then have office hours with me. I do one on one consulting with people who are in the mastermind when they need it.

Michael: Where can one learn more about the mastermind program?

Brian: I think people should just email me if they're interested, because I have to set them up for an interview.

Michael: Give your email again.

Brian: They should go to briankurtz1@gmail.com. Now, I'm also going to do what I call Titans master classes, and those are going to be 2-day events, all hot seats, probably 30 people for two full days, and that'll be priced more as like a onetime event and not as a mastermind, so I'm thinking somewhere in the neighborhood of \$5000, maybe a little less. I haven't decided yet for the two days but it'll include a lot of content, potential guests, hot seats for every company that participates, and I did a similar thing at my Titans event and it was very, very successful, so if people want to be on my list, they should just go to www.BrianKurtz.me. And they can just opt in to my list. I blog there and when I decide to do these master classes, I'll probably be talking about them there. That would be another way for me to connect with people on your list if they're

interested in learning more from me without having to join a full year of mastermind.

Michael: Now, what if I wanted you for a day, if you would have me? What do you generally get for a day's worth of consulting?

Brian: Right now my day rate is \$11,000 a day plus travel. I do that on a selective basis because I can't afford to travel as much as I have been, but I like doing that if it's the right company and the right fit. I do Skype calls at \$1000 an hour with a little bit of prep and a little bit of post, but not a lot. On the \$11,000 day, that includes prep work and on the post, where I really know I can help, is my resources because I can suggest resources and do stuff on the back end, so it's way more than 11 hours for the \$11,000. It's more like 14 hours. So that's the day rate, that's the hourly rate, but I'm more interested in longer term relationships, so I love doing retainer agreements. But I like being involved with companies who really want to grow, who really want to move their businesses forward and want to do multi-channel marketing in particular. So that's kind of where my biggest desire is at this point.

Michael: I got to ask you this. Are you using any direct mail to help you facilitate new clients?

Brian: Yeah, I do. I'll give you an example. I hosted a dinner in Arizona with some amazing people. I was at Joe Polish's event and I put together what I call the Boardroom dinners. They're pretty famous. And I put together this 14 person dinner and after the dinner, I sent them an email thanking them for coming and gave them a PDF of everybody who was there, but then I sent each one of them an individual note with a book that was written but one of the people that was at the dinner, not asking for anything. But frankly, that's direct mail. Those are 14 superstars around the table. I have no idea if I'll ever do business with them. Every one of them I just want to be friends with for the rest of my life.

Michael: So you put that together, that dinner?

Brian: Yes, with my buddy, Richard Rossi, who's in my mastermind. So yeah, the two of us put it together, but I can do those all the time. I have a PDF, if you want, you can share it with your audience, it's called the Boardroom Dinners, and there was a chapter in a book from Rick Frischman called "Networking Magic." I think anybody can do them, to be able to put together dinners of great people –

Michael: Didn't I hear Edelston used to do those with Schwartz?

Brian: Yeah, Marty invented them and we continued them. It's a concept that's been out there for a while and more people should do it.

Michael: Wonderful. Look, I know you got to go and we've covered a lot of great information. I really appreciate you taking the time to share all your wisdom and insight and I'm certain that we're going to be able to introduce you to a few people on my list who never knew about you, and I hope you're able to establish some relationships from the time you've invested with me and my listeners.

Brian: That's great. I really enjoyed it.

Michael: Brian, have a kickass day. Thank you.

Brian: You too.

Michael: Bye-bye.

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