

A photograph showing several hands in business attire (shirts and ties) assembling large, colorful puzzle pieces (red, orange, green, blue) on a white surface. The puzzle pieces are being fitted together to form a larger shape.

# **THE LICENSING SOLUTION**

**11 ways to quickly add a 6-figure  
profit center to your business  
...with no cost and no risk**

**BOB SERLING**

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**Published by Profit Alchemy, Inc.**

2033 San Elijo Avenue #220

Cardiff, CA 92007

(760) 497-8078

[www.ProfitAlchemy.com](http://www.ProfitAlchemy.com)

Printed and bound in the United States of America.

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## Introduction

### How American Express quietly makes a small fortune with a simple form of licensing

Do you have an American Express account for your business? If you do, then every month you get an email with a subject line something like this:

“Bob, your exclusive business offers are inside”

It’s really a very quiet form of marketing called a Tollgate (which I’ll explain in a minute). Completely unobtrusive with no hard sell at all, the entire thing is positioned as being of additional service to you – which it truly is.

Now the first really smart thing Amex does should be obvious, but when I see other companies try this, they really don’t get it. What Amex does is make sure that all the offers are directly related to things you actually want.

That’s critical if you want to keep people engaged. Compare this to something like Groupon where you get bombarded with offers, most of which don’t hold any interest for you. So in short order, you learn to ignore Groupon.

That’s not the case with American Express. Instead, all offers are for products or services that you *actually want*. So this month, there’s a nice discount for a popular restaurant in my area, along with discounts for FedEx services, office supplies and a couple other things I use every month.

*Now that is being of real service.*

The second really smart thing Amex does is what I referred to a minute ago – they use a licensing strategy called a Tollgate to create these offers. You see, Amex doesn’t stock or deliver any of the products or services for these offers. Those are all provided by other companies that they partner with.

Amex is simply the “Tollgate” – a connector of customers who want certain items to vendors who sell those items. And Amex receives a “toll” in the form of a commission for every sale that’s made.

This means that Amex doesn’t take any orders, process any credit cards, deliver any goods or deal with customer service for these sales. That’s all done by the other vendors, which means that Amex incurs no cost whatsoever. So nearly all the “tolls” they collect from these offers are pure profit.

While I can't say exactly how much Amex makes from these offers, I know it's substantial because they've been sending out similar offers every month like clockwork for at least the past 10 years.

I also know how well it works because I regularly use a similar Tollgate in my own business and it's increased my sales by 37% every month. Plus, a member of my mastermind group who uses a more complete version of this Tollgate takes in \$800,000 per year in additional income – with almost no hands-on work whatsoever.

Think about it. When you're being of real service to your customers by offering them discounts on products and services they want, not only do you increase your sales, but you also generate a tremendous amount of goodwill that creates exceptional customer loyalty. And it's even better when you structure it like I described so all you do is send out an email, then sit back and collect your tolls with no other work on your part.

### **Expanding on the Tollgate**

Now, I didn't create the concept of the Tollgate. But what I have done is create 11 different licensing strategies for using Tollgates to quickly add 6 and 7-figure profit centers to your business. And in most cases, this can be done with absolutely no cost and no risk.

So in the rest of this material, I'm going to take you through all 11 of my Tollgate Licensing Strategies. You'll see how each one of them works, how simple they are to implement, and walk away with a wealth of ideas for using them to create new, 6-figure profit centers for your business.

Ready?

Then let's jump in!

## Finding the dormant assets you already have

One of the core principles of the Tollgate Licensing Strategies is that they *leverage existing assets that you already have*. For the most part, these assets are dormant, or at least partially dormant. That makes sense, of course, because if they weren't dormant, you'd already be using them to their full capacity.

Let me start by giving you three real life examples of dormant assets being properly leveraged. You'll see that it's actually quite easy to do – and that the results can be massive, even with just a small investment of time and effort.

Then I'll show you how to easily determine the dormant assets you already have and can quickly and easily capitalize on.

### Example 1 – The \$350 million barbeque

If you're like most people, you have a barbeque sitting out on your patio. But is that barbeque worth \$350 million?

It all depends on how you look at it.

You see, most people look at an object and see only the object itself. But one company makes \$350 million every year, simply because the owner looked at things a bit differently than everyone else does.

Now, the owner of that company was Henry Ford. Yes, the same Henry Ford who created the assembly line that made the Ford Motor Company so successful.

But what most people don't know is that one of the byproducts of making the wooden parts for the interior of the Model T was a substantial amount of wood scraps. And Henry Ford was eager to find a way to turn these unused assets into new profits.

With a bit of quick research, Ford learned of a process that involved chipping the wood into small pieces, charring the small pieces and adding a binder to make charcoal briquettes.

Instantly, a new industry was born. Ford co-founded the Kingsford Charcoal Company to make and sell those briquettes. He partnered with a relative, E.G. Kingsford who found the ideal location and built the charcoal plant.

The Kingsford Charcoal Company was profitable right from the start and is still going strong today with annual sales of \$350 million. In fact, they still dominate the market, controlling more than 80% of all charcoal sales.

So here's the important take away: what underused assets do you have (some of which you may consider to be scrap) that you can look at in a new light and make available to other businesses that would gladly pay you top dollar to get access to?

And I'll show you exactly how to do that when we get to the section where I cover all 11 Tollgate Licensing Strategies.

### **Example 2 – Turning a company's assets into 22 multi-million dollar profit centers**

Now, let's fast forward to a more recent example. Springfield ReManufacturing Corp was founded in 1983 when 13 employees of International Harvester purchased the division that rebuilt engines for large vehicles.

At the time of the purchase, the company was on the brink of bankruptcy, losing \$2 million annually on sales of \$26 million. With the purchase price of \$9 million, many analysts felt the new owners had made a serious blunder.

However, those new owners were able to turn things around quickly. And a significant factor in that turn around was a plan to squeeze every penny of profit possible out of their underused, dormant assets.

Senior managers at SRC looked at every option available for spinning off their existing products, services and business processes into new sub-companies, all run by their existing staff during their down time. As the core business was stabilized and these new companies quickly became profitable, the turnaround was accomplished quickly.

Due in a large part to this spin off strategy, sales grew at a rate of 30% each year. Within just 3 years, the company was extremely profitable and revenue had grown from \$26 million to \$42 million.

By continuing to pursue every opportunity possible to create companies around their underused assets of manufacturing processes, business systems and business processes, SRC has spun off over 22 separate companies and now enjoys sales of \$400 million annually.

While most businesses view their dormant assets as having little or no value, SRC relentlessly mined the profits of every existing asset they have. And today, their spin-off companies generate nearly 10 times as much revenue as their core business!

### Example 3 – Using licensing to create a 6-figure stream of passive income in just three months

Using your existing, dormant assets to create a 6 or 7-figure stream of passive income can be done much more quickly than you might think. Here's a recent example that illustrates how I did this with some of my own intellectual property, generating a 6-figure stream of passive income over a period of just three months.

Starting in the middle of October I sent out the first email introducing a new, master level program for business consultants that lets them license my best performing marketing campaigns and my complete prospecting and sales system. This included 8 proven campaigns and all the key marketing pieces that I used in my own business and had not shared in any of my other programs.

By carefully screening for only highly qualified applicants and *not* making it available to anyone who could afford it, the members got results quickly. Most added around \$300k annually on top of their core revenue by using this system. That's additional income they wouldn't see without this.

Each licensee paid me a \$14,000 fee that was renewable annually, plus a percentage of their profits. I sold a number of licenses right from that first email, generating a sizable profit immediately.

Then, in February (just 3 months later), I sold a master license to that entire operation to another business. I received a six-figure deposit plus an ongoing, double-digit share of the profits they generate.

Plus, the deal was structured in a way that was partially self-liquidating for the buyer, so it was painless and they had a strong incentive to perform at the highest level – meaning more sales for them and higher royalties for me.

So let's get to the bottom line. In just 3 months, I was able to:

- Create a new asset licensing division of my business from scratch and have it be profitable within the first week of launching it
- Fully prove the model within this 3-month window
- Attract a master licensee to take over the entire operation

- Get a six-figure down payment, plus an ongoing double-digit royalty. Depending on overall sales, this is worth between \$300k and \$600k per year to me, even though I do very little other than a monthly support call and collecting my royalties.
- Build into the process a plan to sell off this division three years from the start of it. My share of that is based on my royalty percentage and is projected to be worth \$2 million to \$4 million.

## **Are YOUR dormant assets worth millions?**

These three examples demonstrate how companies have been realizing the full profit potential of their dormant or underused assets for decades. But more importantly, what you're probably wondering right now is how valuable are *your own* dormant assets? Are you sitting on unclaimed profits that could easily be worth six or seven figures to your business?

Fortunately, it's very easy to determine where your business stands on this. I've put together a set of eight questions that will tell you immediately whether or not you stand to benefit from using Tollgate strategies to license your assets. Take a minute to answer them now:

**Question 1:** Do you have a product that sells well and could benefit from greater sales reach?

**Question 2:** Do you offer a service that other service providers could also offer, giving you broader market coverage?

**Question 3:** Are there additional markets you could be selling into but don't have the staff or budget to cultivate these sales?

**Question 4:** Have you developed systems or processes that could be used effectively by other companies within your industry or in other industries?

**Question 5:** Have you developed proprietary software for carrying out any aspect of your business that could be used by other businesses?

**Question 6:** Do you have marketing methods or materials that could be modified and used effectively by non-competing businesses?

**Question 7:** Do you have any other processes, systems, formulas or any other form of intellectual property that would be of value to other businesses?

**Question 8:** Do you have a loyal subscriber list? And more importantly, are you aware of products and services other than your own that your subscribers use on a regular basis?

If you answered “Yes” to one or more of these questions, then your business is in a position to capitalize on your dormant assets and generate large, passive streams of income for many years to come.

If that’s the case, then let’s take a look at how to quickly and easily capitalize on your assets using my **11 Tollgate Licensing Strategies**.

## **11 Tollgate Licensing Strategies for adding multiple 6-figure profit centers to your business – with no cost and no risk**

So far we've covered how Tollgate Licensing Strategies can create immediate and lasting wins for your business with no cost and no risk. And you've learned how to determine which dormant assets you already have that you can profit from with Tollgates.

Now, let's kick things up a level and I'll take you on a tour of 11 different Tollgate Licensing Strategies. As we go through these strategies, you'll clearly recognize how easily the majority of them can be implemented.

At the same time, there are a couple of points to keep in mind. First, not every Tollgate Licensing Strategy will apply to your business. However, the majority of them will, so you'll have plenty to work with once you've completed this material.

Second, this is a working tour of these Tollgate Strategies and it is not in any way meant to be a comprehensive treatment. There are so many different ways to implement each strategy, that it would take multiple volumes to cover it all. Plus, because each strategy, by design, can be improved upon and amplified by your own experience in your specific market, I could never cover all the possibilities.

But rest assured that reading this material will generate many actionable, highly profitable ideas for using the Tollgate Licensing Strategies that you can benefit from immediately. And I can guarantee that it will open your mind to seeing the profit potential of your business in a much more expansive way.

## Tollgate Licensing Strategy #1 **Small Services Broker**

Brokering small services is an extremely flexible licensing strategy. It can be used to quickly create a 6-figure profit center within your own business or to create an entirely new business.

The best way to describe this simple, extremely powerful strategy is to give you an actual example of it being used. One of my clients was looking to leverage the power of licensing to increase his profits, but he wanted to do this with the least amount of effort possible and the least disruption to his existing business.

This client offers SEO services to small and medium sized businesses. So I recommended that he offer other services that small businesses could use to improve their web presence. After all, companies that use SEO services would likely be in the market for other services like web design, Facebook marketing, LinkedIn engagement and marketing, funnel building, data analysis tools, email marketing software and much more.

The problem was, he didn't have expertise in those areas and didn't want to undertake the cost and time necessary to hire staff to develop those services. That's where licensing came to the rescue.

Instead of developing those services on his own, I suggested that he set up deals with other companies he knows and trusts that already offer those services and recommend those services to his clients. In exchange, he'd receive a commission for every completed project he referred to each vendor.

When you do this, not only do you instantly establish a new profit center for your business with no cost or risk on your part, but you are also being of service to your customers in the best way possible.

The fact is that your customers already want many of the associated products or services you'll be bringing to their attention. But just enter any search term for those services into the search engine of your choice and you'll immediately see a huge problem than handcuffs your customers – an overwhelming number of results to try to go through and identify a reliable vendor.

For example, as I'm writing this, I've just searched Google using the term "Facebook advertising agency". That search, which I enclosed in quotation marks to limit the results to the fewest possible, returned a whopping 185,000 results!

Now you see the problem your customer faces each time they try to find a reliable vendor for any product or service. So when you step in and recommend a carefully selected vendor,

you solve a huge problem for your customers and make a nice commission for doing so. And your customers see you as being of true service to them.

Back to our example, what I recommended to my client was that he start with a service that many of his clients had asked him about. In this case, one of the most requested services was web site design and development.

He then visited a number of freelancer sites and viewed the portfolios of web site designers. Freelance sites let a freelancer's customers rate each project and the freelancer cannot modify or tamper with their ratings. So by choosing only the top rated freelancers and spending a few minutes reviewing their portfolios, you can quickly identify the best of the best.

Next, he emailed a few of his clients asking if they needed web design and development services. He immediately got a response from a client who needed a small development project done for his web site.

My client then found the ideal freelance designer who would do the project for \$500 and a deal was struck. My client then charged his customer \$2,000 for the project.

The total time involved for my client to manage the project from start to finish was two hours. So he pocketed \$750 per hour for his efforts.

Next, to expand this even further and make it a 6-figure profit center for his business, my client can run Facebook or LinkedIn campaigns to thousands of other companies offering the same services. Then, as he takes on more business and finds a couple freelancers who are especially organized, he can pay one of them extra to manage all his projects.

By doing this, he'll no longer have to spend any time managing the projects and can now devote that time to landing even more clients. And a new 6-figure profit center will take shape within just a few months.

That's how quickly this licensing strategy can be scaled up. And as you can see, as with most Tollgate licensing deals, it didn't cost my client a penny to do this and he had no risk whatsoever.

If you think about it, all my client really did was leverage the knowledge he already has about online services to quickly establish a 6-figure profit center. And every smart business owner has some form of industry knowledge they can leverage in a similar way.

Why not take the industry knowledge you already have and put it to very profitable use like this?

## **Tollgate Licensing Strategy #2**

### **Private Labeling**

Want to expand your sales considerably with minimal time and effort? Private Labeling lets you do that with any product or service.

One of my clients has a proprietary dog treat recipe with proven health benefits and flavors that dogs love. In addition to selling these treats under their own brand, they also produce the same treats for other pet product companies.

For example, if a company that specializes in pet toys wants to add dog treats to their offerings, my client's company simply packages their existing treats in 16-ounce bags that have the pet toys company's branding.

This saves the pet toy company the considerable expense of developing their own treats, not to mention the time and costs of laboratory testing to comply with federal food laws. And my client has gained a 35% increase in income from these bulk orders by simply extending something they already do.

Not to mention that this same strategy of Private Labeling can be profitably used with practically any product or service.

### Tollgate Licensing Strategy #3 **Profit Cloning**

Profit Cloning is a great way to add significant profits to any business. And it works equally well whether you sell products or services.

Here's just one of the ways it works (there are others as well). You can clone what's already successful for you by quickly setting up another web site to compliment your existing site, duplicating most of your existing site but with a different appeal.

For example, one of my clients sells supplies for outdoor entertaining. Things like paper plates, plastic knives and forks, disposable cups, inexpensive vinyl table clothes and so on.

Recognizing that there's a huge demand from businesses and other organizations for larger orders, my client set up a second web site where the exact same items are sold, but only by the case. This gives them three powerful advantages.

First, they avoid mixing case-size orders with individual orders, eliminating a significant level of confusion they were seeing in questions coming into their customer service desk.

Second, each web site can now "speak the language" of its ideal customers. Addressing the specific needs of any market segment in the exact language that appeals best to them is always a winning strategy.

Third, within the first month, this client saw sales growth of 30%. That's continued to consistently increase every month, with total sales growth projected to be 70%. And those additional sales will continue month after month for as long as you're in business.

## **Tollgate Licensing Strategy #4** **Industry Specific Social Networks**

If you want to capture the attention of your prospects and customers in a way that can't be matched, this is the Tollgate strategy for you. Nothing comes even close for getting your community to return to your web site over and over again – often many times every day.

Think about what it could do for your business to have customers seeking out your message multiple times every day. That's what people do with social networks.

Just think about your own interaction with Facebook, Instagram and Twitter. If you're like most people, you visit the social network of your choice, or more than one social network, many times every day.

The levels of trust and loyalty you develop from this interaction can't be touched by any other method. It's only natural the multiple daily interactions produce a level of familiarity, like and trust that are incomparable.

So let me give you an example of an Industry Specific Social Network. Stock Twits is a social network for people who are interested in trading stocks.

The term "Twits" in its name is supposed to create a sense of a Twitter for stocks. Personally, I don't think it meets that objective, but regardless of that minor detail, Stock Twits is quite successful. And it is an exception of a Tollgate, because Stock Twits essentially works as a connector between vendors and people who trade stocks.

So with membership being free, which is common to all social networks, how does Stock Twits generate revenue? They do this in multiple ways.

The first way they generate revenue is with industry conferences. These are paid admission conferences that bring in scores of attendees.

Second, they offer sponsorships, both for their events and for the web site itself. Sponsorships have a very high profit margin as all you're really doing is leveraging assets you already have – in this case, the live events and the web site.

Another revenue generation method comes from what Stock Twits calls "Rooms". Rooms are discussion areas devoted to specific topics. Some rooms are free, but many are fee based.

From what I can tell, the fee based Rooms are all run by members of the Stock Twits community. And the company collects a "toll", or commission, on every paid membership.

How well does this strategy work for Stock Twits?

Quite well! StockTwits currently has 1.5 million active users. And they generate \$6.2 million in revenue every year by being in front of their customers multiple times every day.

**Industry Specific Social Networks** can be created for any industry. It's the ideal way to create maximum engagement through each member visiting your social network multiple times every day. And as you've seen, maximum engagement translates to a substantial increase in profits.

## Tollgate Licensing Strategy #5 Exponential Tollgates

This Tollgate is designed for licensing your Intellectual property to other businesses. Once you've created any form of IP that's proven to work, you can license it many times, often to many different industries.

Most importantly, you can usually make far more money by licensing your IP than you make selling it on your own. This "make it once, license it many" approach means you can exponentially increase your reach, your sales and your profits.

So let me give you an example of how this is done.

Years ago, I wrote a lead generation letter for a client of mine that's become known as "The \$25 million letter". This was a fairly short, one-and-a-half page letter that was designed to be sent only to carefully targeted prospects.

The day I delivered the final version of this letter to my client, he sent it to one prospect. The next day, he received a call from that prospect asking to set up a meeting immediately.

Two days later, the meeting was held and my client walked away with a letter of agreement for a \$25 million contract. Considering that his business normally generated about \$2 million in revenue annually, he was elated to land such a massive deal. Plus, he went on to use this lead generation letter to land many other contracts worth millions to his business.

With my background in licensing, a lightbulb went on in my head. I realized that I could take this same, short lead generation letter and by making slight modifications to it, license it to companies in many different industries. My plan was to limit this to one licensee in any given industry, in order to avoid any conflict of interest.

Because this short lead-generation letter had a proven track record and I guaranteed its results, I was able to license it to companies in 14 different industries over a 2-year period. I received a retainer plus a percentage of increased revenue the letter produced, making each license worth about \$50,000 to my business.

Also, the letter was easy to customize for any industry, which required only 15 minutes of my time for each licensee, along with a 60-minute conference call to train a licensee's team in using it.

So the payout was substantial compared to the time and effort I put into working with each licensee. All of this was possible because instead of having to create a new lead generation

from scratch for each client, I merely modified an asset I already had and licensed it many times.

That's a perfect example of how the "make it once, license it many" approach allows you to generate much greater levels of revenue while substantially reducing your time and effort at the same time.

## Tollgate Licensing Strategy #6 **Product Development Tollgate**

This Tollgate can be used to cut your initial product development costs to zero. In fact, when used properly, your competition actually pays the costs of developing your product.

Here's how this works. First, it's critical to understand that developing a new product is both time-consuming and expensive. And there are many potential pitfalls along the way that can derail or kill your product development effort.

In order to avoid most or all of those pitfalls and save yourself considerable headaches, rather than jumping in to full product development mode, here's a great alternative that leverages the power of licensing.

What I recommend you do is negotiate a deal with a vendor of an existing product (or service) that's similar to what you want to develop. This way, you can test your customers' interest with real sales *before* committing time and money to your full development effort. Then, if that product sells well, you can move ahead with the development of your own version.

For example, a client of mine was looking to develop a new product to sell on his ecommerce site in the healthy living market. Instead of devoting significant resources to this, he's using this strategy to first test the market by selling another company's similar product to his customers. And he collects a commission for each sale he makes.

Next, if that product sells well, he can then pre-sell his improved version to his customers, offering them a generous discount for purchasing in advance. In this way, the sales from this Tollgate – along with the pre-production sales of his own product – pay for all his testing and development efforts.

In fact, it's likely that he'll already be profitable before he even develops the actual product. On the other hand, if sales are weak, he'll kill the product and he's gained invaluable knowledge with no cost and no risk whatsoever.

Here again, it doesn't matter what product or service you're thinking about developing. You can always find a compatible version to test with your customers first – and pay for all your product development efforts in advance!

## **Tollgate Licensing Strategy #7**

### **Resource Center Tollgate**

One of the most valuable assets you already have is your relationship with the prospects and customers on your email list. And leveraging that relationship is a sure way to quickly add a 6-figure profit center to your business.

To do this, it's critical to understand that whatever product or service you sell, a high percentage of your customers will also be in the market for other complimentary products and services. But rather than investing a tremendous amount of time and money developing those complimentary products, I recommend offering them to your list by using The Resource Center strategy.

A perfect example of this is one of my clients who sells marketing software. To implement this strategy, they started by identifying about 10 complimentary products and services that have strong appeal to people who are interested in their software. Then they approached companies that already create those products or services and set up licenses to offer them to the people on their email list.

By becoming a Resource Center for the people on their list, a number of great advantages kicked in immediately.

FIRST – you generate significant revenue by sending out a couple emails featuring a product in your Resource Center every month.

SECOND – you generate a high-level of customer loyalty when you do this. Try researching any product or service online and you'll see that with thousands of results for any search term, it's an absolute nightmare to figure out what's good and what's junk. So your customers appreciate it when you eliminate that hassle by recommending products or services you've already researched for them.

THIRD – you have no cost or risk with these offers because the vendors you've set up agreements with take all the orders, process all payments and provide all the customer service. Your only task is to send out a couple emails each month and then collect your commissions.

How well does this work? For my client with the marketing software, the revenue from their Resource Center is nearly double the revenue from their core products!

I strongly recommend you give this a try. In my experience, any business can quickly increase their revenue by at least 50% with this one simple strategy.

## Tollgate Licensing Strategy #8

### Tollgate Joint Ventures

Everyone knows that joint ventures can be a powerful tool. Not only do they generate more sales, but they also build your list at the same time.

That's the good news.

But according to a study by Entrepreneur magazine, only 30% of JVs are successful – which means that 70% fail. However, that only accounts for JVs where both sides agree to do a deal. For a far larger number of proposed joint ventures, the deal never gets done at all!

So in actuality, the number of JVs that fail is closer to 90%.

Fortunately, the solution is actually quite simple. You see, the real problem is the conventional method of setting up joint ventures for your business.

Any time you approach another company and either ask them to sell your product or service to their list, or suggest a reciprocal agreement where you sell each others' products or services to each of your lists, a number of problems immediately crop up.

Who will promote the other partner's product first? Is there a significant disparity in the size of each partner's list? How does either partner know for certain that they'll get paid?

Is it any wonder, then, that a significant level of mistrust occurs almost immediately? Of course not. And it's this built-in lack of trust that's responsible for killing so many potentially strong joint venture deals.

But, as I said, the solution is actually quite simple. When you use the Tollgate Joint Venture strategy, it immediately eliminates all concerns on both sides.

Here's how it works. Instead of using the conventional approach to setting up a JV, what you're going to do is create your joint venture deal in *two stages*.

For the first stage, the only action you'll take is to ask the other company to *let you sell their product or service to their list*. You will not ask them to sell your product or service to their list. And you won't even hint at a reciprocal agreement.

Think for a minute about the value of approaching your JV deals this new way. When you ask a company if you can sell their product or service to your list, very few companies will turn you down. After all, what you're offering the other company is more sales of their product at no cost to them.

Now, why would you want to offer to sell another company's product or service to your list without any requirement for them to do the same?

First and foremost, to establish a strong bond of trust. Remember, it's the lack of trust that kills up to 90% of joint venture deals. But when you start by selling the other company's product or service first, with no strings attached, you're going to build a strong level of trust in the best way possible – by putting more money in your partner's pocket.

At the same time, you're *getting paid* to build your relationship because you collect a commission on every sale you make. That's a hell of a lot better than getting turned down on JV deals time and time again.

Next, we move on to Stage 2. In this stage, you're now going to approach the other party about selling your product or service to their list.

Keep in mind that you're no longer approaching a partner as an unknown quantity. Instead, you're a trusted partner who established trust in the best way possible – by generating sales for your partner.

While this approach is simple, you won't see it being taught by the so-called joint venture "experts". They continue to stick to the worn out, conventional method. And that method continues to fail at an extraordinarily high rate.

What can you expect, when you use my 2-stage Tollgate Joint Ventures strategy? Consider this...

I was recently interviewed on this by a well-known expert, covering exactly what I just showed you. After describing this simple strategy, this expert volunteered that he turns down all joint ventures offered to him using the conventional approach. But that he'd accept 100% of the deals that were presented to him using my method.

Food for thought 😊.

## **Tollgate Licensing Strategy #9** **Repeating Circuit Joint Ventures**

The beauty of this strategy is that it significantly builds your email list and significantly increases your sales at the same time. And, as with all the Tollgate Licensing Strategies, implementing it is actually quite easy.

The first step is to identify 5 other companies that sell products or services your customers want – and you're the sixth member of this Repeating Circuit. Then you set up deals with each of them to promote each other on a repeating basis.

Each month, one member's product is promoted to everyone else's list. The sequence continues for 6 months and then the circuit repeats, starting over in the same order.

By doing this, your product is promoted to 5 companies' lists twice every year. That adds a lot of new subscribers to your list as well as making more sales.

Plus, 10 times per year, you're promoting the other members' products to your list and collecting commissions for every sale that's made. This generates a continuing, reliable stream of passive income.

How well does this strategy work?

Using this single strategy alone, one of my clients built a multi-million dollar consulting firm in less than a year devoted exclusively to setting up Repeating Circuit Tollgates for his clients. And many of my other clients have used this strategy to build sizable lists while strongly growing their sales at the same time.

As simple and logical as this strategy is, as you can see, the results it produces can be substantial.

## **Tollgate Licensing Strategy #10**

### **Niche Services Tollgate**

Want to dominate a market? Then slice it up into niches and become the big fish for one or more of those niches.

How well can this work? Consider Airbnb, which created a new form of property rentals the world had never seen. But what many people don't know is that it was started to serve the needs of a fairly small niche market – graphic artists attending conferences for their industry.

Living in San Francisco and working as graphic artists, Airbnb's founders realized there was a problem for a large number of other working graphic artists who continually visit the city to attend conferences. Renting a hotel room was expensive, and even more so during business conferences when hotel space was sparse and sold at premium prices.

This limitation resulted in the initial concept for Airbnb, which was created by one of its founder's, Joe Gebbia, sending his roommate this email:

*"I thought of a way to make a few bucks – turning our place into 'designers bed and breakfast' – offering young designers who come into town a place to crash during the 4 day event, complete with wireless internet, a small desk space, sleeping mat, and breakfast each morning. Ha!"*

No one ever thought this simple idea would become a major threat to hotels all over the world. But this niche market concept grew quickly and soon people were registering in droves to rent out their house, apartment, a room in their house or apartment – or even a couch in their house or apartment.

As a result, Airbnb is now valued at \$31 billion.

The same thing can be done in any market with any product or service. For example, if I wanted to go head-to-head with Airbnb, I'd do that by down-scaling to serve a particular niche.

That means focusing exclusively on the needs of a specific niche market. You might become the equivalent of Airbnb for seniors. Or for dog lovers. Or for gourmet cooks, with directories to the best and little known dining spots for each city.

Regardless of the product or service, it's always difficult to capture market share in a large market. But fine-tune that to serve just specific niches within that market and you can quickly dominate it, just as Airbnb did with the modest goal it was founded upon.

## Tollgate Licensing Strategy #11

### Expertise Director Tollgate

This is probably the easiest strategy to describe, but it's often the most difficult strategy for people to pull off. Not because of any complexity, but because it requires a change in mindset that some people find difficult.

However, as I said, it's really easy to describe – and to implement. And once you make a minor adjustment in your viewpoint, you can make a lot more money and gain more personal time and freedom with this strategy.

Essentially, what you're going to do is work with companies as their *acting director* of an important area. For example, in my own business, I function as the acting Director of Licensing for a handful of clients.

What this means is that I direct a client's appointed team in all their licensing efforts. I fine tune what they may be already doing, introduce new licensing strategies they wouldn't see on their own, and assist in streamlining their licensing activities.

However, each client's staff does the actual work that I direct.

My duties are to identify, co-ordinate and direct licensing activities at a level that my clients could only achieve with a highly-paid full time person in this position. And even then, they wouldn't match my results.

The advantage to my clients is that they get all the benefits of licensing without having to pay the full-time salary of a highly paid executive. On my end, because my compensation is based on a share of the profits I produce, I'm no longer trading time for a set wage or fee. Instead, I'm compensated in proportion to the results I produce.

Practically anyone with any skill set can do this. I have a good friend who acts as a Marketing Director for a group of clients. He directs their marketing activities (which are implemented by their staff), identifies new opportunities his clients wouldn't see on their own, recommends vendors, and assists in finding new marketing strategies and technologies his clients will benefit from.

Yet another friend functions as the acting Chief Financial Officer for his clients. Here again, he doesn't do the actual work. Instead, he sets up a system that guarantees his clients' financial records will always be up to date on a daily basis, makes sure they are in compliance with all financial regulations, and keeps the amount of taxes they pay to the legal minimum.

When you use The Expertise Director Tollgate, while you can charge a flat fee, I always recommend that your compensation be based on a percentage of increased earnings or increased savings. That way, your clients only pay you *after* an actual increase is produced and your compensation should easily be multiples of what you would charge as a flat fee.

## Conclusion

I hope you've enjoyed this material and now have a list of things you can do to quickly add a 6-figure profit center to your business.

But more importantly, I hope I achieved my main goal, which is to expand the way you think about the opportunities available in your business.

In my experience, the vast majority of businesses are sitting on stock piles of dormant profits. The only thing holding them back from tapping into these profits is the ability to think about their business in a more expansive way – and a little bit of practical knowledge for implementing that thinking.

You now have a uniquely expansive way to think about your business and the practical tools for implementing the strategies I've presented here. My closing advice is to dig in and start implementing.

All it takes is picking one or two of these strategies that are the best fit for your business and the easiest to implement quickly. When you do, you have no risk whatsoever, because practically all of these strategies can be implemented with no cost at all. In return, for just a small amount of effort, you could easily create a new, 6-figure profit center just like the businesses I cite in these examples did.

So jump in and give it a chance. I promise you'll be elated with your results!

## About Bob Serling



Bob Serling is a 30-year marketing and licensing veteran and the founder of LicensingLab. His innovative take on marketing and licensing has helped thousands of businesses and entrepreneurs produce exceptional results.

Bob has been the monthly marketing columnist for Success Magazine... invented a skateboard toy featuring Tony Hawk's branding that was sold in toy stores and department stores all over the world... co-created and licensed advanced assessment software currently being used by many Fortune 500 companies... created a one-and-a-half page prospecting letter for a client that landed an agreement for a \$25 million project by being sent to just one prospect – then licensed that same letter to 14 different industries... and much more.

He's perhaps best known for having pioneered the use of licensing to turn the assets you already have into 6-figure profit centers. Because you're leveraging assets you already have but aren't fully capitalizing on, his strategies let you quickly create new, 6-figure profit centers with no additional cost or risk. Bob's clients find that using licensing this way not only increases their profits, but balances cash flow so there's a steady, reliable stream of income every month.

Bob offers a free **Licensing Review** to companies that have annual revenue of \$250,000 or more. To request your complimentary review of your business that will let you know for certain if Bob's licensing strategies can quickly add a 6-figure profit center to your business, just send an email to:

[review@LicensingLab.com](mailto:review@LicensingLab.com)