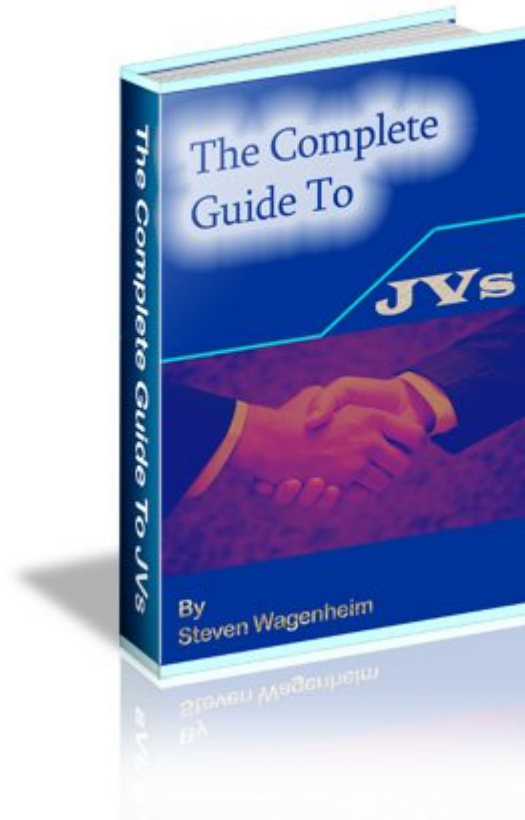


The Complete Guide To JVs



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Introduction

The all elusive joint venture, or JV for short. It's the one thing that almost all beginning marketers crave. They believe it is the answer to all their problems, that once they have that JV in their pockets that everything else is going to fall right into place. Well, this book that you're holding in your hands right now is going to not only show you how to get those JVs but also give you the real truth about them as well.

Why is the truth about JVs important? The answer is simple. There are misconceptions, not only about how to get a JV but also how beneficial they are in reality. See, the value of the JV is going to depend on many factors that people are mostly unaware of or oblivious to. Therefore, it's important not only to explain to you how to go about getting a JV the right way but also explain to you the pitfalls and the realities of the aftermath. Not all is gold when it comes to hooking up with another marketer. I have learned this the hard way.

So we're going to start with the good stuff first so you're not discouraged right out of the gate. But after I've gone over what I call the JV checklist, I'm going to share with you some sobering realities about what happens when you do get yourself a JV and what happens after the fact. It isn't always pretty.

Let's begin.

Approaching The JV

Believe it or not, this may be the most important part of this whole book. If you get nothing else out of this book except what I am going to share with you here, you're going to be 100 miles ahead of the game when approaching somebody for a joint venture.

Okay, many beginning marketers are under the impression that in order to get a joint venture they have to already have a product to send to the potential partner. This is not true. And actually, if you want to be technical, asking somebody like a Willie Crawford to promote your product is not a joint venture. All that is, is trolling for affiliates. It's not the same thing.

So just what is a joint venture? Maybe we need to get that out of the way first before we even get into how to approach a JV prospect.

The true unadulterated definition of a joint venture is when two or more people get together, combine their resources and collectively produce some kind of product or service.

Now, this doesn't mean that each one has to split the duties 50-50 down the middle. Each one should ideally work on the parts of the venture that they are best at. But the point is, this isn't a matter of one person having already created a product and then just asking another person if they'd help him promote it. That's just getting an affiliate, which, don't get me wrong, is a great thing to do...and, it can be accomplished by using the principles in this book. But it's not a joint venture. Okay, just wanted to clear that up.

Okay, so now that you know what a joint venture is, how do you go about approaching somebody for one? Again, this is

the most critical part and if you blow it...you'll never get a second chance.

Before I tell you what TO do, let me tell you what NOT to do.

Do NOT email your favorite guru and ask him or her for a joint venture.

Okay, if you're scratching your head right now wondering if I've lost my mind, I haven't...trust me. The last thing you want to do is email one of these top marketers, or any marketer for that matter, and ask for a JV.

Why?

The answer, the only answer that matters, is that these people get dozens of JV proposals. Yours is only going to be another one that is lost in the soup. You have no chance of getting anywhere.

That's why you have to get in through what I call the "back door." What exactly is the back door?

The best way to explain it is with an example, and it was the start of one of the best joint ventures that I have ever had...one that has not only brought me in thousands of dollars in sales, but also made me a friend.

Here's the story. I hope you will learn something from it.

I frequent the Warrior Forum quite often. I try to contribute to the conversations there so that I am adding value to the forum. This certainly does help in building a name for yourself, but it is not the requirement for a JV...believe it or not.

One day, a member of the forum made a post about how to initiate friendships in this business. I read the post and I

really took it to heart. There was a lot of wisdom in what he wrote.

I immediately took action. You'll know what he wrote when you read what I did next.

I sent him a private message and asked him what I could do for him. I told him what my skills and abilities were and offered my services to him...

NO STRINGS ATTACHED.

Please let those words sink in because they are the most important 3 words in this whole book because it is the basis of any great joint venture.

In other words, I was offering to do anything that this person was ready to ask me to do and not expect anything in return. Now, think about it...who in their right mind would turn down an offer like this?

Or let me put it to you this way. If somebody contacted you, either via PM at a forum or through email and said to you that they'd be willing to do anything that you wanted, within reason of course, with no strings attached...what would you do? Would you turn the person down? I sure hope not. I know I wouldn't.

Well, this person got back to me and really took me by surprise because I honestly didn't expect it to be this easy. His reply was a question.

"How about we do a joint venture together?"

I was floored. This was a very successful marketer making a heck of a lot more a year than I was and just because I had offered my services to him, he in return offered me a JV, from scratch...brand new product, sales page, everything.

I was on cloud nine.

Now, don't get me wrong. He could have simply replied back saying, "Sure, write me 5 articles on healthcare" and then after I did that and sent them to him, he may have simply said thank you and that would have been the last I heard from him. Trust me...that will happen. But most people will recognize your generous offer and want to reciprocate.

The person I am speaking about is John Rhodes of the Rhodes Brothers. The same person who I wrote PLR Exploitation with...our first major Clickbank release.

Had I not approached him the way I did, it might not have ever happened. It was my generosity that won him over.

Okay, that's the approach...but it's just the beginning. Depending on how the person reacts to your offer, that will determine what you do next.

If you don't get an immediate counter offer for a joint venture and instead the person you approach accepts the offer for your services, most likely he will tell you exactly what he needs. Listen to him carefully. If you don't understand something, ask questions. Make sure you completely understand what is being asked of you before you say yes or no.

And yes, saying no is ALWAYS an option. There will always be someone out there who is going to take advantage of the situation and ask for something that is above and beyond the call of duty. You have to know when to say no, especially if what they ask for is beyond your capabilities.

See, if you say yes to somebody and can't deliver on your promise, this will get around...and once it does, it's hard to salvage a tarnished reputation. So you have to be absolutely

sure that what you're asked to do is something you can do with little or no trouble.

Okay, assuming that what you are asked to do is something that you have no trouble with, get back to the person, tell them that you are going to get on it right away and then just go and do it. Don't fool around and don't make him wait. If you think you can complete the task in three days, tell him you can have it done in about five days. Then, when he gets it early, he'll be pleasantly surprised.

Make sure that the work you do is meticulous. It needs to be as good, if not better, as the work you would do for your own business.

Now, here's the kicker. Give him something extra.

For example, let's say he asked for 5 articles on Internet marketing tips. Send him 7. Tell him you thought he might be able to use a couple of extra and since you had the time, you had no trouble writing them up. He will more than appreciate the extra effort.

After getting the material to him, or whatever it is he had you do, write to him telling him that it was a pleasure working on this for him and let him know that if he ever needs anything to just send you an email...and leave it at that. Don't ask for a JV or even hint at it. Let him be the one to approach you.

Eventually, at least in most cases, the person WILL get back to you and make the proposal.

NOW you have your JV and THIS is how you handle it.

Beginning The JV Process

A ton of planning needs to go into doing a joint venture. However, you're always going to have a starting point because when the person you performed the service for makes the JV proposal, he's going to do one of two things.

Either he is going to ask you what you'd like to work on, or he's already got an idea for a JV and he's going to ask you if you could work on certain parts of it. If he paid attention to your skills from your initial contact, he'll know JUST what to ask you to do.

For example, because John Rhodes knew that my main skill was writing, he asked me if I'd be willing to actually write up the book for our product. He told me what he wanted me to write about and I simply took his ideas, many of which I was very familiar with anyway, and put them into words.

Naturally, your role in the JV is going to depend on what you have to bring to the table. For example, if you're a crackerjack programmer, and the work you did for the person was fixing one of his scripts, you're probably going to be asked if you'll want to create a software product, in which case, you'll do the programming and the other person will probably take care of writing up the sales letter and all other non technical items.

That is what makes a great joint venture, when each person recognizes the other person's strengths and weaknesses. It would have made no sense to ask the software programmer to come up with a sales page.

Whatever the partners decide on doing, and mind you, there can be several partners, everything should be put in writing.

This way, no person can say something like, "I didn't know I was supposed to do that."

Contracts should be drawn up with each person getting a copy. Okay, what should go on these contracts?

Let me start off by saying that I am not a lawyer and this is not legal advice. If you want legal advice on contracts, then consult with an attorney. I am only going to make suggestions as to what should be included in a joint venture contract.

List Of Duties By Partner

There should be a section of the contract where each person involved is listed along with each of his responsibilities.

For example, let's say that John Doe, John Smith and Bob Jones are all part of a JV putting together a book on list building that will also include having to write a sales letter, squeeze page, autoresponder series and ads for affiliates, just to make it simple.

The distribution of duties could look something like this.

John Doe – responsible for writing the book on list building.

John Smith – responsible for the squeeze page and sales page.

Bob Jones – responsible for autoresponder series and ads for affiliates and outsourcing all graphics for product.

This way, each person knows what he is responsible for and there is no confusion on this. It's all in writing. If this seems

a bit anal, fine...but you'll thank me later if things start to get a little off track.

Timetable Of Project

Okay, before I go any farther, I will be the first to say that things happen. Life sometimes gets in the way of business. However, by including a timetable for the project in the contract itself, this will make it more likely that everything is going to get done WHEN it's supposed to get done.

So, taking our example above, let's take a look at a theoretical timetable for completion of each part of the project. Since we already know who is responsible for what, we don't have to list names again...just tasks.

Here is a possible timetable for the above project.

Completion Dates

Book on list building – 30 days after signing of contract.

Squeeze page – 7 days after signing of contract.

Sales page – 14 days after signing of contract.

Autoresponder Series – 7 days after signing of contract.

Ads for Affiliates – 14 days after signing of contract.

Outsourcing of Graphics – 21 days after signing of contract.

Naturally, these are just hypothetical examples and are not meant to suggest that these are the time periods you should use for each of these tasks. Hopefully, all those who are involved in the JV will discuss the timetable and collectively agree on how long each item should take.

Income Distribution

Let me tell you right now, no matter how much work each person does in regard to the JV, each person should get an equal portion of the income coming in. Remember, this is a JV and you're agreeing on everything that each person will contribute to it. So if you feel somebody is not pulling his weight and getting off easy, the time to speak up is BEFORE you actually agree to anything. Once each role is agreed upon, the income distribution should be equal unless the person doing less work agrees to receive less of the income.

So given the example above, this would be the most probably income breakdown.

Income Breakdown

John Doe – receives 33.33% of income from project.

John Smith – receives 33.33% of income from project.

Bob Jones – receives 33.33% of income from project.

You will notice that 3 does not go into 100% equally. You will always have 0.01% left over. This is easy to rectify. Simply take the 0.01% that is left over, after you have done the math and then further divide that up three ways. Eventually, you'll be down to 1 cent left over unless the figure is divisible by 3. Point is, the amount of money left over isn't worth worrying about.

Here is how I handle it. I give the extra 0.01% (the whole thing before further breakdown) to the person who sold the most units as an incentive. So, if you do \$1 million in sales,

somebody is going to get an extra \$100. No, it's not much, but it's a nice bonus and something to shoot for while running the contest. Naturally, you can make other decisions, such as giving the odd amount to charity. But make sure you stipulate what will be done with the odd amount in the contract. Yeah, I know, it's nit picking but you don't want anybody to have anything to complain about.

And trust me...people complain about the stupidest things.

Expense Responsibility

This is one of the worst sticking points in JVs. Every project is going to have expenses. Just looking at this example, the outsourcing of graphics is going to cost money.

Now, there are several ways you can handle this depending on the financial situation of each person.

One way is to allow the person with the most funds to handle all the expenses up front and then have the others reimburse him either through the income generated or just before the project launches.

Another way, and this is sometimes not possible, is to have each person equally share the expenses up front. The reason this is not always possible is because each person's financial situation is going to be different. Some people in a JV may just happen to be broke. Trust me, it will happen.

Whatever you decide on, again, get it in writing. This is extremely important especially for JVs where the expenses are quite high.

Here is an example of what you might do with the above JV.

Expense Distribution

John Doe – Reimburses Bob Jones for 33.33% of expenses prior to launch

John Smith – Reimburses Bob Jones for 33.33% of expenses prior to launch.

Bob Jones – Handles all expenses during product creation and receives 33.33% of expenses from John Doe and 33.33% of expenses from John Smith prior to launch

Whatever you do, please don't leave this to chance. More marriages end in divorce because of money than because of sex.

Okay, you can obviously add things to the contract as you see fit. These items will vary depending on the type of joint venture. Also, you need to be aware that income will hopefully be coming in over a long period of time, so in addition to how the income will be distributed, you should probably have a clause in the contract as to how often the income will be distributed and who will have access to the account.

This is why contracts are so important because this area requires a lot of trust. For example, let's suppose that the above product is going to be sold through Clickbank. In that case, only one person is going to actually be on the account. Yes, you could go through the hassle of actually setting up a corporation and making each person an equal partner where each person will get access, but ultimately, when Clickbank cuts that check every two weeks, it's going to be mailed to one address for one person to cash. It will then be that

person's responsibility to send each partner his share of the income generated.

So let's just talk straight here. There is nothing stopping this person from taking that check and running off to the islands. This is why a binding contract is very important. Trust is nice, but business is business and thus needs to be conducted as such.

I don't mean to drive this point home but it's important that you understand that just about anything can go wrong when it comes to legal issues. So protect yourself.

And that's the last I am going to say on the subject.

Okay, the contract is all ironed out and signed (electronic signatures should be okay but please check with a lawyer) and you're ready to actually get to work.

In order to keep everyone to their end up the contract, especially during the product creation stage, you should agree to check in with each other either daily, weekly or whatever it is you agree on. Just make sure that progress reports are made. This way, if there are any problems that are going to prevent the project from being completed on time, you can address them as soon as possible.

Okay, here's a piece of advice from experience. If a problem arises, address it immediately. It doesn't matter who comes up with the solution to the problem. If you know the answer and your partners don't, speak up. They'll respect you for it.

This brings us to personalities and this is very important. People don't think of this when getting into a JV, but personalities can make or break a joint venture.

I'm not going to go into a big long spiel on this subject because it is really beyond the scope of this book, but there are some basics that you need to be aware of.

Personality Types

I am going to cover the basic personality types that you're going to run into with each JV. There are really many more than these, but these are the most common that you will run into. I will show you how to deal with these people. Naturally, the type that you are will greatly affect how much of my advice you take.

The Leader

This is the guy who wants to be in charge of everything. He's probably got a background in management and can't help but having to have his hand in everything. If this is you and the people you're working with are of the other types, this works out perfectly. Take charge and give the others the confidence that this project will run smoothly. They'll thank you for it.

The Team Player

This is the guy who has no desire to lead but will do anything he can to make sure all goes well. Just tell him what to do and he'll get it done. If this is you and you have a strong leader, make him aware of this fact and he'll feel important while you get to do what you're good at.

The Greenhorn

This is the person who hasn't got a lot of self confidence because this is probably his first joint venture. This isn't to say he's not a team player, but his uncertainty makes it so that you'd never know. He's not very vocal and may not give you much of a reply to your emails with instructions other

than an "Okay." Trust me, I deal with people all the time who I have yet to receive an email longer than one line. If this is you, don't worry about it. Just make sure you do what's required of you. A good strong leader will acknowledge your work and make you feel good about it, thus building your confidence. If you have one of these in your group, you'll now know how to handle him.

The Slacker

Hate to say it, but you're going to get these. Unfortunately, you will usually find out when it's too late. Deadlines aren't being met and correspondence isn't being returned. Most slackers are very good at covering this up until it gets to that point in the project when it's obvious they're not going to hold up their end of the agreement.

If you discover this, there is only one way to handle the situation. The leader of the group needs to contact the person and under no uncertain terms tell him that he has a responsibility and if he's not going to take care of that responsibility, they'll get somebody else to handle his part of the venture.

If you still get no response or he makes promises but doesn't keep to them, you take the contract to a lawyer, explain that the person isn't fulfilling his part of the agreement and ask how you can have the contract voided. Again, I am not a lawyer so I can't advise you any more than I already have.

The Incompetent

It's going to happen. Somebody will have lied about their abilities and ultimately, you find out that their work is shoddy. Do NOT accept work that is substandard. If this happens, you simply tell the person that the work is not

acceptable and they either need to do it over or you'll replace him.

Those are your basic personality types. The reason I include the last one as a personality type is because there is a psychology behind why people who are incompetent offer to be part of joint ventures. But like I said, all this psychology stuff is beyond the scope of this book.

However, there is an easy way to spot this type even before you begin. Simply ask each person for a sample of their work. If somebody's work isn't up to snuff, you'll know it.

Okay, what if somebody has no track record? What if they have no work to show? Well, this is where you have to decide if you're going to allow this person to be a part of the JV.

What if this person is you?

Well, let's be straight here. If you purchased a book on how to get a JV, there is a chance that you've never had one and also a chance that you have no portfolio.

So what do you do?

Well, remember how you got the JV in the first place if you followed my plan? Well guess what...you now have work to show. Just remind the person of the work you did for him which landed you this JV in the first place.

Now do you understand why I had you go through this process? By offering to perform some task for the person who ultimately approached you for the JV, you've shown the person that you are more than qualified to hold up your end of the work load.

Okay, next up...the launch.

The JV Launch

Okay, you've gotten everything completed. You're ready to launch your product, membership site or whatever it is.

What's next?

The first thing you have to do is decide on a date for the launch. While it would have been nice to be able to include this in the initial contract, again, because things happen, you really aren't going to know when you can launch until everything is completed.

My advice is to give yourself enough time to put the following items together before you do come up with a date. The last thing you want is to have to scramble for things last minute.

Okay, for starters, I'm not going to go off into a product launch formula spiel for doing this. If you really want to go all out for your launch, then by all means, go out and get Jeff Walkers PLF 2. No, I don't have an affiliate link. I'm just saying that massive product launches are beyond the scope of this book. I'm going to simply cover the basics.

First thing is rounding up your affiliates. The best way to do this is to contact all the people who you'd like to help you promote this, make them aware of the affiliate program that you have set up (whether Clickbank, PayDotCom or your own) and send them details to sign up for it. Offer them a generous enough commission so that they have enough of an incentive to promote your product. I suggest at least 70%.

Make sure that you let all your affiliates know what the date is that you're going to be launching. Provide them with any

email ads, banners ads, etc, that they will need in order to properly send out a campaign. You want to give them as many materials as possible.

Prior to launch, you're also going to want to set up a blog and get people ready for it. In order to get prospects to your blog, I suggest writing a few articles and submitting them to article directories. Ezine Articles will give you the best exposure quickly. You might want to also concentrate on building a list of prospects promising a discount on launch day if you haven't already built this into your product.

Because video is so big today, you'll probably want to create a few videos and submit them to YouTube. This will get you quite a few visitors as well.

I mentioned earlier about the JV launch that I did with John Rhodes. Let me show you some of the things that we put together in order to get this thing launched.

Here is the blog that John put together.

<http://plrmodel.com/blog/>

Here is a video that I put together

http://www.youtube.com/watch?v=JfCr4yxv_Ro

Here is a Squidoo lens I put together.

<http://www.squidoo.com/PLR-Tips>

In addition to all of this, John went to sites such as Digg, Stumbleupon and Twitter and bookmarked these various sites.

All working together, they got us quite a bit of traffic with virtually no expense. So you see, you can do a launch on the cheap and get decent results.

Because Ezine Articles doesn't allow articles on PLR, we were limited in this area, but if you are promoting a product that doesn't interfere with EZA's politics, submit as many as you can. This will get you traffic fast.

Many people ask about whether or not they should submit articles to just a few directories or mass submit them using an article submitter. The arguments over this issue will go on forever. The truth is, there are no definite answers. Each niche is going to behave differently. Plus, the battle over duplicate content penalty is another one that nobody has proved or disproved yet...at least not to my satisfaction. Personally, I only submit to Ezine Articles because I don't have time to submit all over the place and so far they have been bringing me excellent results.

Finally, on the day of the launch, you want to contact your web hosting company and make sure all safeguards are in place. Most hosting companies don't know beans about a big launch, so here are some basics for you to keep in mind.

If you're expecting a lot of traffic quickly, that is what's going to bottleneck the whole system. This is why you get emails from people who just did a launch saying that the server crashed. It was because of improper preparation.

So what is proper preparation?

For starters, if you're planning on having videos on the site, you want to make sure that they're hosted on a separate server from the static HTML pages. You also want to make sure that you have several servers in the whole system so that if one starts to get overloaded, another one can take over. My suggestion is that you want to have at least 5 or 6

servers available for your launch. Is this going to cost a few more bucks? Yes...but it's worth it. Crashed servers really tick customers off because they believe it's all part of the product launch formula. It's not. It's just that product launchers don't know how to prepare for a launch properly on the hardware end of it.

There is one more thing you're going to have to do, depending on who your payment processor is. If it's somebody like Clickbank, no problem. They don't care how much business you do...bring it on. However, if you're going with PayPal and you've never had more than a \$100 day, you better call them up and let them know the date of your launch and that you're expecting so much money to come in. If you don't, you could end up getting your account frozen because of suspicious activity. Yes, it has happened and will continue to happen.

To further insure that your launch doesn't get shut down because of a payment processor, I suggest going with a backup processor such as 2Checkout.com just to be safe. That way, you can still take payments while you're straightening out the mess with PayPal.

On the day of the launch, each partner in the JV should have definite roles. One should be watching out for the server issues. Another should be on top of the payment processor issues. You also need to assign somebody the task of answering support emails. It's best if you set up a support desk to do this.

You are also going to need a backup plan in case somebody takes ill or has an emergency of some kind. This is why it's important that more than one person has access to things like hosting. Payment processing isn't something more than one person can do because the payment processors aren't going to deal with anybody other than the person whose name is on the account.

JV Pitfalls

Okay, I've gone over what to do in order to get a JV. If you follow my advice, you should get more than your share of JVs. Trust me, out of a pure sense of obligation, many of the people who you go out of your way to bust your butt for, will proposition you. But that's not always a good thing.

Let me explain.

Many marketers out there make their money from taking advantage of people, especially new people. What they do is offer them the JV and then very sneakily, have the newbie do most of the work. It doesn't seem so at first, but suddenly you start getting emails like, "Could you take care of this for me, or can you take care of that for me?" It's little bits and pieces at a time until suddenly you're realizing that you're doing 80% of the work in this partnership.

But it doesn't end there.

See, if you're approaching a big name marketer, he's going to feel like he's doing you a favor. And in a sense, he is. Let's face it, you weren't going to make the amount of money that you're about to make without him. So down the line, don't be surprised if he requests a larger part of the commission, especially if you didn't think to draw up a contract. His reasoning is going to be that he's bringing you a big list and that he could have done this on his own anyway, which he probably could.

Okay, there are two ways to handle this, and it all comes down to your pride and how much the JV means to you.

The first way is to say thanks but no thanks and go find somebody else to partner with. If you do this, forget about

ever getting a JV with this person again. People have long memories when they're turned down for a JV when they're the one doing you the favor, at least in their eyes.

The second way is to say, "Oh absolutely, I was even going to suggest that you should get..." and name your percentage. Don't be surprised if he says sure. That's the chance you take. In other words, if your JV partner says jump, you say how high and would you like fries with that.

I learned at a very young age how to kiss up to people. They love it and it doesn't kill you to do it. But ultimately, this is going to depend on your personality. If you're set on a 50-50 split then stick to your guns and wait for somebody who will be willing to work under those conditions.

Okay, another pitfall of JVs is the "What happens next?" See, when a big guru does you a favor by working on a project with you, do you know what's going to come down the line in the future?

The payoff.

The email will go something like this...

"I'm coming out with my new product <insert product name> and I'm counting on you to promote it to your list."

This is the HUGE list that you just generated for yourself through the JV itself.

What do you do? And what do you do if you look over the product and it's pure crap?

The backslapping that goes on in this business is downright sickening. It's one of the reasons why I don't do many JVs. I will not promote something that I don't believe in. So if a

former JV partner gives me something to promote that I think is crap, I won't promote it...plain and simple.

I can't tell you what to do when this happens. You have to be your own conscience. But here are the consequences of promoting a crappy product to your list.

1. Your list won't buy it or if they do, they'll be tons of refunds.
2. Your list will start unsubscribing in droves.
3. Your reputation will now be in the same toilet as the person who created the product.

Just recently, there was a ton of slack from a product promotion that had forced continuity. The uproar was deafening and many prospects were not happy. More than just a few reputations were tarnished, including the affiliates who promoted the program.

It takes years to create a good reputation.

It takes only a few minutes to destroy it.

Another pitfall of joint ventures is getting in with somebody who has different goals than yours.

You may want to build a slow steady stream of income to your product by not overhyping it and going all out for the "kill" on the launch, while your partner may want to basically fry your lists to a crisp.

Many big time marketers are just after the big score. They don't care how many prospects they alienate in the process. They can build a list in no time. However, this does nothing for your credibility and makes any long term growth on your part close to impossible.

Therefore, you need to pick your JV partners carefully, making sure that their goals and ideas match yours, otherwise it could turn out to be one very ugly partnership.

Probably the biggest potential pitfall of any JV is the trust factor. I could write a book on this, but I'll spare you because if you dwelled on what COULD go wrong, you'd never get into a joint venture ever.

Unless you are working with somebody you know very well, and even that's no guarantee, there is always going to be the possibility of mistrust among the parties. At first, it might be something minor like, "Did you send out all those ads you were supposed to?" when it seems you're not getting as much traffic as you should be. This can escalate to, "I don't believe that's all the sales we made on this launch" when your partner asks for sales figures and they seem a little low.

As soon as mistrust starts to creep into a JV, the JV falls apart. Now you're probably thinking, "What does it matter if the launch already went off?" Well, maybe not for that product. But if you think you'll ever do a JV with this person again, assuming he's the one mistrusting you, forget about it. You might as well just be happy for what you get and move on.

And then again there is the disappointment factor. The JV didn't go as well as you expected. You didn't make many sales at all. Suddenly your partner wants to do another one. The thought of it almost makes you sick. You put in all that work and have all of a few hundred dollars to show for it.

What do you do?

This may be the hardest thing to handle when it comes to a JV. It's like going to your wife and saying, "Dear, I don't love

you anymore...I want a divorce." Let's face it, it's going to be ugly.

Well, there is only one way to handle this, assuming that you've decided that you've done your first and last JV with this person.

You lay out the facts.

They may go something like this.

"Look, I really was excited about this JV but the truth is, we put in 3 months of work and made all of \$700 each. I'm sorry but my time is too valuable to put in that much work into something that isn't going to produce. And since our first go at this wasn't what I would call a success, I have no reason to believe that another attempt is going to go any better. Therefore, I think we should go our separate ways."

And that's it. Base it purely on the facts. Don't get personal. Just quote the figures and how it's not economically feasible to continue.

Most likely, the person will get back to you with a counter proposal. Based on what it is, you can either listen to it and change your mind or stick to your guns. The key is not letting personal feelings rule your decision.

Okay, you're probably thinking, how can I avoid all these things in the first place? Well, there are some things you can do, but they involve actually doing a little preliminary forethought. In other words, you're going to be picky about who you JV with...as bad as you might want one.

Those are the things we're going to cover in the next chapter.

The Selective JV

You're probably wondering why I didn't put this chapter up towards the beginning of the book. Well, I wanted to get into the stuff that I knew you'd want to get first...how to get the JV. I knew that would get you all excited about doing this. Hopefully, it has. But now we have to get into some of the common sense stuff, and let's be honest...some of this isn't all that exciting. Still, it's something you need to learn.

So let's begin.

What are the things you're looking for when deciding upon a JV? Yes, we're going to be a little picky here, even if it means you don't get as many JVs as you'd like. You'll still get your share if you follow the guidelines of this book.

What Do I Sell?

This is the first question that you have to ask yourself. Let's say that you sell books on Adwords and how to effectively use Adwords and the person who you are planning on doing a JV with doesn't believe in Adwords. He thinks it's too hard, too costly or whatever. This may not be the best match for a JV. You preferably want to JV with somebody who shares your basic beliefs in marketing or whatever your niche is.

What Is My Competition?

You need to understand who your competition is before getting into a JV with anybody. For that matter, you need to know who your competition is before releasing any product, even on your own. If the product you and your JV partner plan to release can't compete with what's already out there on the marketplace, either because of price or features, you're going to have a hard time selling it.

Do I Like Working Alone?

As much as you might think that you want a joint venture, you have to sit down and ask yourself this question. Do you like working alone? If you do, you may have a problem working with others. Remember, in a JV, you have to compromise on things. You don't get to make all the decisions. For some people, this can be very frustrating when they have very strong opinions about things.

Do You Know Others With Experience In JVs?

Believe it or not, the experiences of others can greatly help you with making your decision, if not help you actually run your JV. Going into anything without any kind of experience is a scary thing. By having others to share their experiences with you, you can get a pretty decent idea of what you can expect. Try to get as much feedback as you can from others.

Will The Partnership Strengthen My Credibility?

We don't really think about this because usually we are just so consumed with how much money we're going to make from the JV, but you really have to sit down and think about this one. If you team up with somebody who is a known spammer, like Cody Moya, do you really think that's going to help your credibility any regardless of how much money you make? Think about this before you dive in.

What Are Your Ultimate Goals?

Making money is great, but there is more that you could be getting out of a JV. What are your goals? Do you want to build a bigger list? Do you want to build your brand? Do you want to simply get more traffic to your site? Do you want to get into other product lines? It would be a good idea to make a list of all the things you hope to get out of your JV other than just a paycheck.

It is so tempting to just jump into bed with the first person who says yes to you, but sometimes you could be setting yourself up for an experience that will be less than beneficial to both of you. This is why I am now very picky about who I do JVs with, even though I have only done a handful of them to date. I've seen both the good and the bad in a very short period of time.

Affiliate Pimping

As I said earlier in this book, asking a big name guru to promote your product is not a JV. That's just pimping for affiliates. And that's fine. The same principles apply to this as to a JV as far as approaching the person. Offer to do something for him, no strings attached. But that is pretty much where the similarities end.

When the person comes back to you and asks you if you have a product for him to look at, you better be prepared to give it to him...no strings attached. That might just mean, yes, that he ends up taking it and writing his own competing product from it. Oh yes, it happens. Get used to it. That's the risk you take when you go out pimping.

However, if the person is on the level and comes back to you saying that he liked the product and he wants to promote it to his list, you better be prepared to give him the following:

Text Ads

These big name gurus don't have the time to write up their own ads, so make sure you have several text ads available for them that they can choose from. These text ads should be created so as to target a list of prospects.

Banner Ads

I know that banner ads aren't nearly as effective as they used to be, but make them anyway. It adds to the value of the affiliate package that you're putting together.

Pay Per Click

Put together a package of keywords and three line pay per click ads. This is especially important if you're in a niche where pay per click advertising isn't too expensive. In either case, these big names have the money to put into a pay per click campaign.

Autoresponder Series

This is really going above and beyond the call of duty, but your guru friend will love you for it. Provide him with a series of emails for his list that are informational. He could even use this to build a separate list for promoting this product. I've yet to see a merchant do this besides me.

Articles

That's right. Supply your affiliates with some articles to put on their blogs. Naturally, the subject matter should relate to the product so that they can do a natural pitch at the end of the article. You might even write them a review of the product to use on their blog. Either will work.

You're probably thinking, "Why do I want to go through all this work?" The answer is simple...the big names in the business don't have the time to create all this stuff and they're going to want as many tools as they can get their hands on to promote YOUR product.

Remember, they're doing YOU the favor. So you need to bend over backwards for them if you want their support.

Some people would say, "So Steve, in other words, I have to kiss their ass?"

No, you need to be a smart businessman. There's a big difference.

Some Final Words

I broke 6 figures for the first time in 2007 without the aid of one joint venture, so you don't need these to be successful. All you have to do is put together a solid business plan and follow it through.

Having said that, a joint venture, the right joint venture, can really elevate you to new heights, depending on who you hook up with and what products you create. Naturally, the more high profile the product, such as Jeff Walker's Product Launch Formula, the greater your success will be, not only for that product but for future products as well.

That doesn't mean that you can't have a successful joint venture selling a \$27 ebook. John Rhodes and I did that and made thousands from it. In some cases, lower priced products will actually sell better. One reason for that is because many people are so burnt out from the higher priced products.

It is my hope that you got something out of this book. Everything in it is what I personally did to get and run my joint ventures so this is not theory. This is from experience and it works. So simply follow the guidelines and you should have no trouble getting a JV of your own. I can't guarantee any percentages, but you should be able to easily get positive responses from at least 70% of the people who you approach for JVs in this manner. I mean let's face it...you have to be a real stubborn cuss to turn down an offer of somebody's services...no strings attached.

To YOUR JV Success,

Steven Wagenheim

Resources

You want to be prepared for any JV opportunity because you never know what you're going to be asked by your partner to do. He might want you to do the article writing, sales copy, promotion, whatever. So you need to be armed with all the info that you're going to need to pull off the various tasks you might be expected to perform. I mean, unless you outsource everything, somebody has to do this stuff.

So here are some things that you might want to pick up before you actually apply for your first JV.

Sales Copy & Article Writing

I have both of these covered in my *Basic Copywriting In Plain English* and *Complete Article Writing and Marketing Guide*.

You can grab a copy of both together at the link below:

<http://www.bcipe.com/>

Promotional Methods

Advertising is going to be critical to getting your JV off the ground, so I put together a book that has covered every form of advertising on the Internet.

You can pick up a copy at the link below:

<http://www.honestincomeprogram.com/ciag.html>