



*.....15 Years and still rolling.....*

**Open MIC is open for anyone.**

9:00: AM Pacific Thursday 800 504-8071 Code is 5556463

IF YOU WOULD LIKE TO FIND OUT MORE ABOUT US

CALL OR EMAIL

**ANTHONY OWEN**

888-74**AGENT** (24368)

[tony@annuityagentsalliance.com](mailto:tony@annuityagentsalliance.com)

OR VISIT OUR WEBSITE



**Annuity** | **Agent's Alliance**  
Real Help From Real Agents.



## Quick point on our new lead system.

It was our decision to include the **source of the lead**, (done for your benefit) the reason is simple; it gives the agent the source information so it could be used during the call to the prospect. All **other lead companies hide theirs**, but since we are an agent driven company, the more info an agent has the better the chances.

We have lined up large marketing partners, such as a Motley Fool, Yahoo Finance etc. These guys are so big that they dictate the rules to us. The plan was for 100% of all leads to enter through our landing page portal (annuity.com) but a few partners say no...why? Because they do not want traffic leaving their site...almost 90% of our marketing partners allow this because of our brand...but for those who dictate to us we are having them add these phrases so the prospect will see...

- Powered by Annuity.com
- Provided by Annuity.com (all with our logo)
- Information from Annuity.com

Like we have said all along, we are flexible and will do whatever it takes to help agents get the best leads possible. When you call, the prospect will almost for sure have seen the Annuity.com logo....but also **mentioning the source** (such as Motley Fool) will be helpful.

My true feeling is this: these leads are going to be the **Gold Standard**....time will tell but I know I am right....BB

**Leads: sign up at [www.annuity.com](http://www.annuity.com) (if you are a crew member, ask for discount codes)**

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**This issue of Open MIC is mostly about leads and marketing...I have enclosed a few reprints of things I have shown in the past...but...they still make sense and they still work.**

I think I will keep repeating this all year....BB

# 2012: Our Mantra

## Three Marketing Tips:

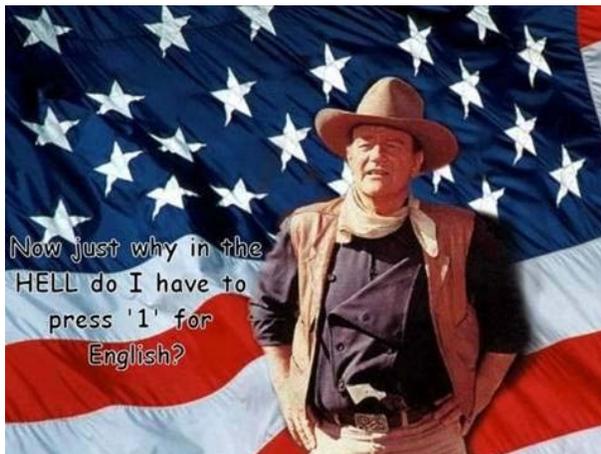
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- **Radio** is a killer lead generator and it allows you to be an expert. Image building and becoming a local expert.
  - **Internet leads:** Buy all you can afford, fresh, exclusive and they work.
  - **Retire Village:** Balance out your database with this excellent tool, give value to build relationships
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**Radio, Internet, Retire Village:** Do these three things and you will increase sales, have more spendable income and take more and better vacations.

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## Our State of the Union

Thanks to each and every one of you for your very hard work and sharing this past year. I for one feel 2012 is the beginning of a monstrous move towards safety and the desire for income.

The old rule that **cash is king** is not true any longer, **income is the new king**. I am in the first wave of the baby boomer movement and I am far more focused on income needs rather than asset growth. I know I am not alone.

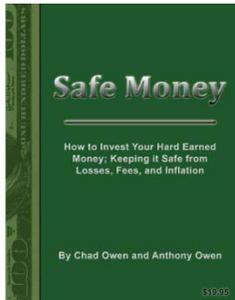
### Bill Broich

What should we do first?

By **helping one another** and by staying focused on marketing will set you apart from the other agents. As a crew our existence has been helping one another. That will not end and as a matter of fact, it will increase. More specifics later. I have learned that this business can be very lonely and having other agents to work with and to associate with has been the root cause of my personal sales success, thank goodness in those early years I had Joe, Dave and Betty.

**Annuity.com leads**....if you aren't using them you are making a mistake. The cost is cheap (**\$59-\$88**) and is subsidized by us. These leads are fresh and delivering instantly, also these leads are never sold more than once and are completely exclusive. ....please use my advice and sign up.....the law of large numbers will make them a very valuable part of your marketing effort. In addition we have two other sources and a third coming down the road.

**(Side note: a good friend of ours and crew member made the first recorded sale of the new lead system today, \$50k and shot at \$450k on 401 (k) rollout next week...cha-ching!)**



Our book, **Safe Money**...if the very best possible giveaway you could ever use. the books are at cost and you order directly from the publisher and they include your photo, bio and contact information....invest \$450 a month for 100 books and give them all away (or 75 or 50 but some number)...the returns will be killer and it is another totally outsource marketing effort....you order, he ships, you giveaway.....remember....giving value (the book) build trust, trust builds relationships and people buy from agents they trust. (new edition coming soon, I admit I am a little tardy)

**Radio**...if you are not using [www.safemoneyradio.com](http://www.safemoneyradio.com) you should have a serious look at it. It allows you to become a local celebrity and to harvest leads from people who call you! Hilary Beban is the expert who will guide you through the entire process....easy and effective.

I know many of you have used direct mail with less than stellar results, but for me it has always worked. It may be because I was raised as an Idaho farm boy and on our dairy farm we worked. Seeing lots of people has always appealed to me, and it still does. For me, **Direct mail** fills the void. My source is [www.armleads.com](http://www.armleads.com) , ask for Lou White. We have negotiated a discount for you, be sure and mention annuity.com to Lou and he can tell you the cost for each program. This is an example of working together to get the cost down as far as possible. Send 2000 mailers (or 1,000) a month, harvest about 60 leads, grab the low hanging fruit and database the balance. **Easy and totally outsourced.**



**Open MIC** is how to stay connected, it is weekly and we have found it benefits our personal business and I am sure it will you also. It is lonely out there so join us weekly and stay connected. Open MIC will start next week for the year (Jan 14)....get on the database and get the notes in advance...we also offer the program as a download file so you can listen to it at your convenience. Open MIC is every Thursday at 9 Pacific 800 504-8071 and the code is 5556463...no need to register or give your name...like all our stuff...**it is free.**

And??????????????

The gem of it all, **Retire Village**. Only someone who had no business plan or no sense of marketing would not use this blockbuster of a system. All I can say is killer!

Once again, thanks for being part of our crew and for your contribution to the overall success. Remember, if we help each other we elevate ourselves.

## **Bill**

**PS...**years ago when we were but a handful of agents, we had a **motto**. It meant that thick or thin we would stick together, one of us gets picked on, all of us are picked on.

**Our Motto: You go we go.** (think about it) Maybe someday I will tell you the whole story of why!



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## **Your business marketing plan**

I am aware this has been op Open MIC before....but I have had 3-4 agents ask to go over it...how do you set your marketing budget? This approach is simple, but it really works.

## **Evaluate Your Business**

Are you running your business in the best possible manner?

Running any business effectively requires good decision-making grounded in good management information. Yet many companies still don't take the time to understand what sales key performance indicators (KPIs) they should track and how often. Understanding your leading and lagging indicators will help you determine actions needed to achieve your selling goals

**What is the quantity of your leads?** Phone numbers, are they accurate? Does the prospect answer the phone? Will the prospect visit with you on the phone? Can you set an appointment? Tire kicker or a serious interested prospect.

**What is the conversion rate of leads from “name” to prospect?**

**What is the ratio? 10-5? 10-3?**

A lead is really just a name, a prospect is someone you can see and begin to build a relationship. A prospect is someone you know something specific about such as their assets, their goals etc.

**What is the close rate of your leads?** In other words, how many sales from the gross lead count? Simple record keeping will help you determine the value of your lead source.

**What is your lead cost per sale?** 10 leads at \$75 and one sold case would put your lead cost per sale at \$750

**What is your gross revenue per sale?** How much per sale do you make? You must use averages, such as immediate annuities averaged with FIA, etc. Know your average compensation.

Immediate annuity compensation example: **3%**  
FIA compensation average: **6%**

Sales ratio of (example) 10 FIA per 1 Immediate annuity...simple math would show you your average commission is.....**5.7%**

Sales planning allow you to better plan your marketing budget....if you know these points:

### (Examples)

Lead cost	\$150
Lead conversion ratio	1/10
Average commission	5.7%
Lead cost per closes sale	\$1,500
Average Premium per sale	\$200,000
Average compensation	\$11,400
Commission per sale net of marketing	\$9,900

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**I was asked a couple weeks ago to re-publish this questionnaire. I have made an adjustment, my marketing budget is now **15% increased from 10.5%****

## Questionnaire

Take some time to answer these questions about your annuity marketing. If you answer honestly the answers could help you plan a marketing approach to increase your lead generation and lead sales. My formula for setting a budget and dealing with honest in potential production is on the last page.

### **How much money do you want to make in the next 13 months?**

I use 13 because any plan you might consider will take a month to implement that would leave 12 months for income generation.

Let's assume as a marketing model you want to make \$250,000 in compensation over a 12 month period.

### **What is an assumed compensation percentage?**

Commissions can vary widely based on type of annuity sold. I suggest you plan your marketing around a conservative number...as an example I will use 7%.

### **Define your target market?**

Who would be your desired prospect in regards to age, income, and accessibility? How many prospects are there in your desired pool? As an example if you only wanted to see brain surgeons, your pool would be limited. However if your desired pool was farmers, you would be able to draw from a much larger number. Defining your target market is completely essential and necessary for establishing your target market.

My target market is people age 65 and above who have assets of \$200,000 or less.

### **What are my rules for conducting business?**

If you do not set rules then you cannot establish an accurate marketing strategy. As an example, if you only will see prospects in your office then you would need to market to an area with a higher population density. As

an example, if your office were in your home and you lived on a cattle ranch, the odds of anyone coming to your home office would be slim, but if your office were in a populated suburban strip mall, the chances of conducting business in your office increases. Set rules that will increase your productivity but they must directly interface with your selected target market.

## **Have you ever established a marketing budget in the past?**

Any simple business model starts first with this budget. If you are unable to fund a marketing budget then your chance for success becomes very narrow. You must establish a marketing budget and that budget must interface with two other important parts, your desired production level and reality. As an example you want to earn \$1,000,000 a year as your goal but your marketing budget is \$500 a month then reality is not part of your planning. Your budget must be based on your production goals working in harmony with available financial budgeting. Be honest with yourself, if you cannot afford a marketing budget; get a salary job for a period of time until you can self-fund marketing.

## **Do you invest time and money in your personal education?**

Selling annuities is about providing information, information from all sources such as current event, financial information, product knowledge, relationship building etc. Are you a member of your local Life Underwriters Association? Do you attend a community college or other adult education? Do you attend investment seminars, educations seminars?

## **Do you invest in your business?**

Do you have an office? Computer? Assistant? Do you have a listing in the Yellow Pages? Do you have a Retire Village website?

## **Do you have an existing client base?**

If so, have you entered them and the important pieces of their information into a system for data management? If you are not using a data tracking system you are wasting your marketing dollar. There are numerous systems available and using a system to keep in touch and to be able to offer information and your latest offerings (such as an interest rate increase) is essential.

## **Do you ask for referrals?**

I am sure your answer will be positive....but my experience has been that 99% of agents will not work a referral and almost that many will not even ask for a referral. Think about it....what do you have to lose? A referral is not someone who will immediately buy...it is someone you can offer value to and with whom over time you can build a relationship with.

## **My Formula**

I have used this formula for years; it is how I established myself and a top annuity producer. If you follow my formula, and you at least an average annuity salesperson, you will be successful.

But first let's look at number in an honest fashion. Agents contact me constantly and when I ask them what they would like to accomplish...most will answer like this:

**“I want to just see people and sell. I am a good salesman; I just can't get in front of enough people.”**

My answer is simple; anyone can be a good salesman if they have people to see on a regular and constant basis. The problem is not sales ability but lead flow. Leads do not happen by themselves, they happens as result of marketing. If you can market, you can sell. A successful annuity sales career is never about selling it is about only one thing.....**marketing**.

So if you believe me and believe that marketing is the key then by focusing on marketing would begin to solve the problem. As another example, think about the mess Toyota has just gone through. How are they going to survive and prosper?

Their solution (besides fixing the accelerator) is marketing. How are they doing it? Simple, they are offering new cars at 0% financing. To prove my point consider this fact:

In the past 6 months, Toyota has sold 71% of their cars by using 5 year 0% financing. In other words they are using their auto financing options as a marketing tool....

**It is always about marketing it will always be about marketing. Selling is the easy part.**

**(with costs rising...I have changed my marketing percentage to 15% just to make sure, increase over 10.5%)**

I use this formula to determine my lead flow. I budget **15%** of my gross commissions for marketing. If I earn \$500,000 then I would spend 10.5% of that number in marketing and lead generation.

**\$75,000.**

Can it work in reverse? Yes but only if you are focused and you are prepared for changing your business model to see the correct number of people. I recently had an agent who told me he wanted to make **\$1,000,000 a year in commissions** and could he hire me to help him.

I answered it this way....

**"What is your marketing budget?"** His answer was that he didn't have one....so my next questions....

**"How much could he spend each month on marketing?"**

His answer was \$1,000 a month but as sales came he would spend more....what his real answer was..... **\$1,000**

I said if he would spend \$12,000 a year he could make \$125,000 in gross commissions....simple math. \$125,000 is about \$2,000,000 in annuity sales and well within his selling experience and educational abilities.

To get to \$1,000,000 he would need to spend over \$7,000 a month in marketing, well outside his means but still a good target to work towards.

**15%** of gross commission must be set aside for marketing; if you will not do that then you are not a solid candidate for our industry.





Crew...I read 40-80 articles a week and the ones I put up are because there is a little something that could help you....I also list many of them on Facebook, only if they are helpful....see our Facebook account and follow along...they are not “**filler**” as an agent told me a month ago....a lot of time and effort goes into this...BB

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I spoke of this past week....but this past Saturday it made a sale for me....I showed the prospect the link from the DOL...nice little \$75k 401 k rollover.

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[http://www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html)

**Re-read this...might help.**

## **Disgrace....**Labor Department delays

### **401 (k) fee disclosures**

**Obviously you can see the big guys behind the curtain, trying to hold off disclosure....if most people knew exactly how much they were paying in fees they would be extremely irritated. **You all know that helpless feeling?****

Here are some current links.

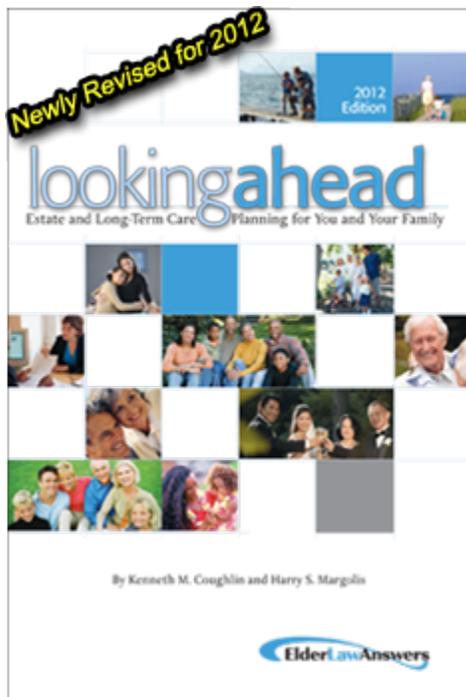
<http://www.bankrate.com/financing/retirement/401k-fees-hidden-til-august/>

<http://finance.yahoo.com/news/labor-department-delays-401-k-174604067.html>

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## A true no-brainer



Are you in the senior annuity market? **Are you sure?**

Do you want to give value to your prospects? Order this book, \$10 a pop....one of the best giveaways I have found, and it is on every Baby Boomers mind.

It only takes \$10 to build a stronger relationship. Invest in your business.

<https://www.elderlawanswers.com/looking-ahead/index.asp>

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## Annuities coming to 401 k

<http://money.usnews.com/money/personal-finance/mutual-funds/articles/2012/02/14/more-401ks-may-get-a-makeover-with-the-addition-of-annuities>

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## Could be a Good article to explain insurance company failure without license violations, 3<sup>rd</sup> party information handout

[http://www.cbsnews.com/8301-505146\\_162-57373586/what-happens-if-your-insurance-company-fails/](http://www.cbsnews.com/8301-505146_162-57373586/what-happens-if-your-insurance-company-fails/)

Always follow your state insurance laws

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**I recently used a 1035 exchange to move money....I thought a small refresher might be helpful....BB Just a guideline....BB**

## **The 1035 Exchange: What are the Advantages**

Named after Section 1035 of the Internal Revenue Code, a 1035 Exchange is the exchange of one insurance policy for a newer policy with no tax consequences. It offers an investor the opportunity to exchange an old, outdated insurance contract for a newer contract that offers beneficial features the investor now wishes to include. For example, a policy owner might choose a contract with lower costs, a higher death benefit, the drawing of monthly installments or different investment options.

A 1035 Exchange also offers tax advantages. Usually the surrender of an insurance policy is taxable, because the positive gain on the old contract is counted as income. **However, a 1035 Exchange allows the nontaxable transfer of an old contract to a new contract**, providing the IRS stipulations are met and the transaction is a direct exchange carried out between insurance companies.

A 1035 Exchange also **preserves the adjusted basis** of the original contract. The adjusted basis of a policy refers to the premiums that have been paid less any dividends or partial surrenders the policy owner has already received. Preserving the adjusted basis is advantageous to an investor when the original contract currently has a loss, because its adjusted basis is more than its current cash value.

A 1035 Exchange applies only under certain conditions. Both the old and new contracts must be held by the same policy owner and only certain types of contracts can be exchanged: life insurance, endowments and annuity contracts. An old life insurance policy can be exchanged for a new life insurance policy or a new annuity, an old endowment contract can be exchanged for a new annuity and an old annuity can be exchanged for a new annuity.

**(Like for like is important....BB)**

Contract holders may **exchange two or more old contracts for one new contract**, if the contracts belong to the same owner. Investors may also choose a Partial 1035 Exchange involving only a portion of the original contract's amount, although any gain is subject to ordinary income taxes when withdrawn, and some insurance companies do not recognize partial 1035 Exchanges for tax reporting purposes.

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**And my very favorite money transfer trick....IRA, surrender and redeposit, the client has 60 days...quick and easy....BB**

**Here is a little more:**

**IRA Management: Maximize your client's options and move that money!**

When an employee retires with an intact 401 (k), the funds can be moved to a self-directed IRA without tax liability. During the accumulation process at the time the employee is working, the goal is growth. At retirement the goal can be much different such as preservation of capital and the stronger need for safety and security becomes much more important.

The use of an annuity in an IRA can help your client obtain the necessary income, safety and security desired at this stage of their lives. An annuity contract contains a provision called “settlement options” which include a guaranteed table of factors in determining the minimum amount of income that will be paid. I always contact the insurance company to what their current rates are and show the client the range of income possible.

I have found that many people feel very comfortable investing their retirement packages in insurance companies because of the guarantees these contract provide. The term I use is “**safe, secure, reoccurring**” income. I explain to them that they can spend all their money every month because it comes again the next month. The concept of having an income that they can never outlive helps reduce stress and provides a sense of security.

It is important to fully understand the individual needs of your prospect before making any recommendations. While annuities offer safety and security, there are situations when tan annuity may not be the best option. The choice for an annuity should be made only after a complete and thorough **fact finder** is completed and then when a full understanding of the client’s needs are understood.





## ***Questions from the crew for the Owens Brothers.***

Email Bill at [bbroich@msn.com](mailto:bbroich@msn.com) and Chad will share his answers with the **Open MIC** crew.

### **Questions:**

- 1. How do you handle this objection when you are trying to sell an annuity?**

What happens if I need more money and it is in the annuity?

(I picked this answer off a blog) One of the drawbacks to most annuities is that you may have little or no access to the money invested beyond the income that is promised to you. If you need more money in retirement to replace your roof or buy a new car, can you withdraw funds from your annuity account? If so, what are the surrender charges and how will this affect your future income stream.

## **Great American Safe Returns – Return of Premium (ROP)**

Sometimes the prospect just won't make a decision, generally the worry is about the time commitment on annuities. 5 years, 10 years. **Great American** has the perfect solution for you. This product allows for a return of the original premium anytime. Also included in most states is the income rider, with a 10% simple guarantee.

You can see a simple calculation of the income rider at [www.gafriss.com](http://www.gafriss.com)



**Dave... product info!**

**Joe Rych has a great sales tip using this product.**

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Here is a recent email from an agent.....

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**From:** Joe agent joe@agentsville.com  
**Sent:** Monday, February 06, 2012 7:44 PM  
**To:** 'Joe Rych'  
**Subject:** Newsletter

Hi Joe,  
I don't see a newsletter for February. Did I get missed??  
Thanks,  
Joe Agent



## OurAnd finally: the newsletter

We have sent the newsletter out for years to our agents so they can send it on to their clients; we did this for you because we were doing it for ourselves...but no more, we are 100% digital...that is what

**Retire Village** is for.

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### Recent Case

I was doing a policy review, hunting money for possible Income Riders....the prospect said he was sick and tired of the foreign mess and he was only going to buy Patriot Bonds...Since I didn't have a clue....maybe neither did you....here they are.

### What is a "Patriot" Bond?

**(EE Savings Bonds in disguise)**

**Patriot Bonds are simply Series EE Bonds** which have the name "**Patriot Bond**" stamped on them. Yes, that's all that they are. **Other than this stamp**, they are no different from actual EE Savings Bonds.

**(US Treasury attempt at marketing....LOL)**

They are identical in every way to the paper EE Savings Bonds except that any EE Bond purchased through financial institutions after December 10, 2001 has the words "Patriot Bond" printed on the top half of the bond between the Social Security Number and the Issue Date.

### Where Do the Proceeds from Patriot Bonds Go?

The proceeds of the Patriot Bond will go into the Treasuries **General Fund** and are not specifically earmarked for any particular war-time spending or program funding. Monies for both war-time spending and

other federal government spending draw from this general fund, which *may* contribute to fighting the war on terrorism.

## Things You Should Know About the "Patriot Bond"

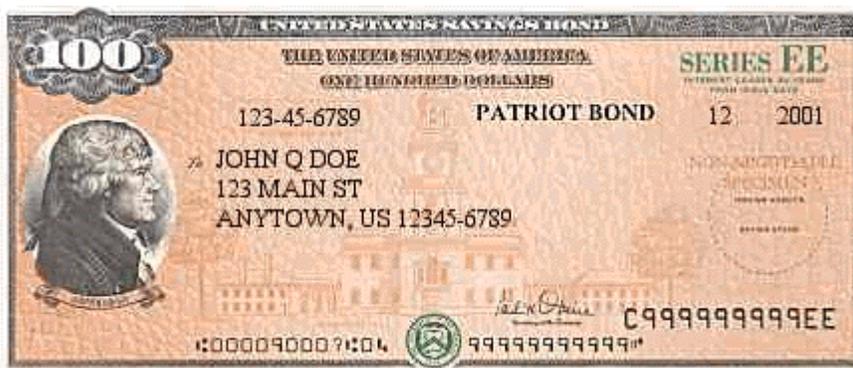
- The first Patriot Bond was sold mid-December 2001.
- Patriot Bonds are purchased over-the-counter at banks, credit unions and other such financial institutions.
- **Exactly like EE Savings Bonds**, Patriot Bonds are purchased for half their face value, increase in value monthly and interest is compounded semi-annually

## Maturity of a Patriot Bond

- Patriot bonds earn interest for 30 years from their issue date.
- They are guaranteed to reach initial maturity (their face value) on their 20th year anniversary.
- There is a 3-month interest penalty if the bond is redeemed before 5 years.

## Taxation on Interest

Interest earned could be tax exempt if used for education purposes (see [Education bond](#) details).



Now you know....

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We have leads available (3 sources) and we have appointment setters. Call any of us for additional details.

Call us for our recommendations for Appointment Setters.

BB



Sheryl Moore Links

<http://insurancenewsnet.com/article.aspx?id=304998>

<http://www.sheryljmoore.com/2011/11/is-the-annuity-your-client-purchased-bad/>

<http://www.annuitydigest.com/blog/tom/sheryl-moore-fixed-indexed-annuities-and-sec%E2%80%99s-proposed-rule-151a>

<http://www.sheryljmoore.com/2011/01/response-the-safety-trap-a-k-a-my-52-point-correction-to-lisa-gibbs/>

<http://www.sheryljmoore.com/2011/04/response-equity-indexed-annuities-investor-friendly/>

<http://letstalkretirement.com/think-you-know-what-fixed-indexed-annuities-are-all-about-16-things-you-probably-dont-know-about-fias/>

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

<http://www.sheryljmoore.com/2011/11/is-the-annuity-your-client-purchased-bad/>

<http://www.sheryljmoore.com/2011/10/indexed-life-insurance-gets-sexy/>

## Safe Money video

<http://www.youtube.com/watch?v=3O-RIYfaLU8>

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### **Disclaimer:**

**I obtain information from many sources, print, internet, agent gossip and other media. I always try and provide the original source or the link but my note taking habitually is lacking.**

**Much of the content on Open MIC is written by me and is my personal opinion. You should never consider that I am the world's greatest authority or expert on anything. Always consult professionals who are licensed to give correct advice regarding taxes and securities and other topics of great importance.**

**I am an authority in lead generation and marketing annuities and am fully licensed as an insurance salesman. I sell state approved annuity products provided by licensed insurance companies.**

**I am also NOT an economist by license, only by avocation and hobby. If you decide to make decisions based on my particular view of the world, you should get it verified by licensed professionals or get your head examined.**

**Open MIC is and was created for the entertainment of our agents, family, friends, guests and industry spies. Be careful with the information contained in Open MIC and always get advice from licensed professionals. You never know, sometimes I might make something up....so always verify!**

**Also, the information used in Open MIC is free; I assert no copyright or literary rights. Copy away.**

**Our competitors will copy Open MIC anyway so I might just as well give it away, saves so much mental anguish and sleepless nights.**

## **More Legal Stuff...**

**Be responsible... we cannot know your individual situation, always do your own due diligence before responding to any offer or investing any money.**

**I can't accept responsibility for the profitability or legality of any published articles or opinions published in Open MIC. Nothing in these Open MIC notes should be considered personalized advice. Although I may answer your general customer service questions, I am not licensed under securities laws to address your particular situation. No communication by me to you should be deemed as personalized advice.**

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# **MADED**

**Market all day every day**