

THE **GRIT 'N' HUSTLE** SHOW

WITH **TODD HERMAN**

Interview with **JIM BEACH**

**EPISODE
14**



Jim Beach was Escorted Out of Coca-Cola and Then
Built a Multi-Million Dollar Training Company;
Eavesdrop on How It Happened



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A portrait of Todd Herman, a man with short dark hair and a light beard, wearing a brown leather jacket over a white shirt. He is standing in front of a background of horizontal metal slats.

ABOUT TODD HERMAN

Personally I am:

- A husband to a beautiful, smart and financially sharp woman, who really wants a third baby (unfortunately we haven't mastered two),
- A father to two little girls, whom aren't very good sleepers, giggle a lot and are obsessed with 'horsey's' and merry-go-rounds,
- A daily letter writer. I've written over 3600 personal letters to people. (5 a week since I was 23),
- A farmboy from Schuler, Alberta, Canada.
- A New Yorker, living in Chelsea.

Professionally I:

- Created the 90 Day Year. A program for business owners who are frustrated with their level of performance and want to learn the art & science of execution,
- Failed at several businesses. (One of those I lost my entire life savings.) But, I also won at enough to turn them into seven and eight figure ventures,
- Worked all over the world. 82 countries total,
- Coached thousands upon thousands of athletes on developing their mental game,
- Advised & Mentored hundreds of business owners on high performance and personal leadership.
- Built a software company.
- And, I'm not done yet...

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Jim Beach - #14

Show notes at: <http://bit.ly/BeachGrit>

Jim Beach was Escorted Out of Coca-Cola and Then Built a Multi-Million Dollar Training Company; Eavesdrop on How It Happened

Todd Herman: Welcome to Episode #14. In Episode #13 you heard from a master of the art of the pitch and an ultra-successful sales pro that overcame getting fired multiple times to launch himself into a successful career teaching others how to master the art of the pitch. In today's episode you'll hear from business author, multi-time entrepreneur, and professor, Jim Beach.

Welcome to the Grit 'n' Hustle podcast with your host, entrepreneur, and internationally acclaimed ultra-high performance and leadership advisor, Todd Herman. The place to hear 100% real and raw stories of how high achievers actually made it with no cotton candy fluff, no filler, and no fades, just actionable inspiration to keep you learning, growing, and striving to reach new personal bests.

Without any more delay, here's your host, Todd Herman.

Hello Grit 'n' Hustle Nation. If this is your first time listening in, thank you for choosing us to spend some time with today. Don't forget to subscribe to the podcast over at iTunes. Now, just like all the episodes, we have show notes, transcripts, and actionable tips over at the blog. You just need to go to <http://toddherman.me/blog> to dig into all the goodies that we have there.

If you've ever heard about the value of having a mentor or mentorship, I just wrote the definitive guide on finding and becoming a mentor. If you just text the word "hustle" to 38470 it will magically appear in your hands through the power of good old technology.

I have had the great fortune of having some incredible mentors in my life and those mentors easily accelerated my path to achieving new successes by steering me around



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roadblocks that would've normally slowed me down and also introducing me to better quality people to help me out as well.

It's the question I get asked the most about so I created a guidebook to help you reap the benefits of a great mentor. And, if you are in a position to be a mentor to others you will get incredible value from the structure of how to make it a win-win for both sides.

Again, just text "hustle" to 38470. If you're outside the U.S. and Canada just go to <http://toddherman.me> and you can snag it there. Now on to today's show.

Jim Beach is an Atlanta-based entrepreneur that built American Computer Experience, which was named one of the fastest-growing companies in Georgia three different times. He was named one of the 40 Most Influential Citizens under 40 in Atlanta and wrote the book [School for Startups](#), which was picked up by the very first publisher that he contacted.

Jim has strong opinions about the entrepreneurial experience and you'll definitely hear what he thinks about the idea of following your passion. You will also hear about how he got fired from Coca-Cola and how he was escorted out of the building. Enjoy today's interview with family man, Jim Beach.

Todd: Grit 'n' Hustle is real and raw stories telling you exactly how people who have done good things have actually gotten to where they are today. Today you are going to hear another real and raw story of how a high achiever actually made it to where he is today. Today's guest is Mr. Jim Beach. He is a best-selling author. He started his first company when he was 26 years old.

He was the co-founder and CEO of America Computer Experience of Atlanta. He grew that company with absolutely no capital infusion (no outside money) to \$12 million in annual revenue in 1999 and to over 60 permanent and 700 temporary employees. He operated in 39 states and three countries.

Jim has lived and worked in Japan with the government there, with Coca-Cola. He has also been a professor at Georgia State University talking about entrepreneurship. Like I said before, he is a best-selling author. Mr. Beach, welcome to the program.



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Jim: Thank you. I appreciate you having me.

Todd: In reading through the laundry list of all of your accolades, it is no wonder that I get multiple pages sent to me on all of the things you've done. We'll cover a lot of those different points along the way throughout the interview. Guests, you're going to really enjoy Jim because he's got an absolutely fantastic, velvety-smooth voice as well and that's why he does so many radio shows.

What are you up to right now?

Jim: As always, I'm running some businesses. I'm raising money for other people's businesses right now. I'm involved in two money raises at the moment. I have another book coming out, hopefully before Christmas. And I am doing a lot of radio myself.

We also have a new baby in the house. We have a three-month-old in the house so that's always a fun addition to the mix.

Todd: Is it four children now that you are up to?

Jim: Yes, I have boy, girl, boy, girl ranging from 18 years old to 3 months old.

Todd: Wow. As someone who's just been a fairly new parent, I've got a 2½ year old and a one year old, I know the challenges that a new one brings to the mix. But maybe with having some older children you can actually maybe push off a little bit of the duties onto their shoulders.

Jim: We try to, yes.

Todd: So you are raising capital right now for a couple of other ventures. Are you able to talk about those ventures at all?

Jim: Sure. One of them is a trucking company that has a really cool app that they have developed. The other one is a bar/restaurant combination. It is probably Atlanta's top



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restaurateur who is opening up his own concept after 12 years of opening concepts for other people and it's a really cool niche.

He has a concept that has been emulated in other places but it is very unique. It is exciting and I think it's a really interesting model that he's doing. We were able to get some SBA financing for that. It's unusual to get SBA financing for a bar or restaurant. That is a little hard and tricky to do. But I think that's the route we're going to end up going with him.

Todd: That's amazing, as soon as you said you got SBA financing and restaurant and bar was used in the same sentence I was a little bit taken aback. You are right, that's very rare.

Jim: It is a strange combination. They don't like to do bars and restaurants. They like to do franchises, if you want to open a McDonald's or Chick-Fil-A or something like that it's not that hard to get SBA financing. But for an unknown concept it's a little bit tricky so we were really happy with the success we've had with that.

Todd: Another friend of mine has a podcast on successfully pitching for startups and over the last 16 to 17 years, from what it seems from the outside, you've been heavily involved in raising capital for different ventures. When you take a look at that skill set or your ability to do it, what do you kind of find as some of the real key pillars of success when you're out there pitching to other people and asking them for money?

Jim: The main thing is to turn away the bad clients. If someone comes to me and asks me to raise money for them but it doesn't make sense to me, and that happens fairly frequently, just to turn those clients away so that when you do take a client you can more or less guarantee that you'll be able to find money for them. At that point you want to be able to express what they do in one cool sentence.

If you can't boil the whole thing down to 10 or 12 words so that it makes sense then you won't be able to sell it. You need to be able to sell the idea in under 30 seconds. That's the primary litmus test I use. If I can't figure out how to make it sexy in 12 words I'm not going to take you on as a client.



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Todd: So that's truly one of your litmus tests. When you are analyzing some of those companies that you will take on outside of being able to communicate in 10-13 words is there anything else that you see?

I know there are a lot of people that listen to this that are either new to the business world, not necessarily new to business, because they have maybe been working other ventures, but now taking yourself out there and selling your ideas is a bet that many people have a tough time slaying. When you are looking at a business that you think is going to run, what are some of the other elements to it?

Jim: It is sort of the stereotypical thing. I look at the owner, the founder. Do I like this person? Am I going to be able to spend six months talking to them every day? If I don't like the person I'm not going to do the deal or help them. Is it something that makes sense from the standpoint of solving a problem. Is there a clear issue in society that this business addresses?

After that, can you show a path to cash flow? I do not believe in these businesses, Twitter, for example, that you will never convince me they are going to make money. Twitter has never made money. They lose money every quarter. They've gone through five CEOs now. Their board consists of three ex CEOs. I'm not convinced that Twitter will ever make sense as a business.

I wouldn't take Twitter as a client if they came to me today because I just don't believe in it. I use Twitter. I'm not a big fan of it but you have to use it in our industry. But I still don't think it's a good business. It's never going to make money. I don't see how they will ever make that a profitable venture.

That's the primary thing, can I spend time with this owner, can I understand how they are going to make money? I am old enough now to have remembered the .com bubble in 1998 when anyone could raise money. A moron with a paperclip could go out there and raise money.

I've now come full cycle. I don't believe in it unless I can understand how you're going to make money. This idea that I will build a user base and then we'll figure out how to monetize it, to me is a really stupid idea. I don't trust those people who say those things.



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Todd: It's refreshing to hear from someone who is, in some ways, a venture capitalist. I know in many venture capital meetings there are some venture capitalists out there who absolutely do not want you to be mentioning your revenue model, your profit model, because when they take it out there to try to sell it they don't want to have other people who are going to put more money in later have some sort of threshold of numbers to base the success of the business against. It's like pin the tail on the donkey.

That's great to hear. Maybe that's one of today's tweetables that somebody can send out on Twitter, "Twitter will never make money."

You've had a long career in entrepreneurship. Not only that, which is rare, you've actually also gone to a major learning institution and taught entrepreneurship as well.

Anyone who has ever gone out there to try to sell a book, the one thing that I love about one of your statistics, you actually sold your book, School For Startups, with your very first proposal. McGraw-Hill jumped on it with your first proposal and we will get to that in a little bit.

But, when we kind of pull the thread back to Jim's early years, were you a natural entrepreneur? What were some of the things that you were kind of taking part in when you were growing up?

Jim: No, I had one goal until the age of 24. My goal in life was to be the CEO of Coca-Cola. I'm from Atlanta and Atlanta is the home of Coke. The city sort of revolves around it. I wanted more than anything to work for Coca-Cola and become the CEO.

When they decided to escort me to the door with two armed guards and tell me that I was no longer welcome on the campus it was quite a devastating moment. I thought my life was truly over. I became an entrepreneur by necessity. I had no other way to pay the bills. All of the job offers that I was getting involved going back to Japan.

As you mentioned, I have lived there for a long time. I didn't want to go back. I was 24 and I wanted to date American girls and find a girl to marry me and stuff like that. I knew



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that would never happen in Japan. So I had no interest in doing the one thing that I was good at, which was Japanese business.

I started my first business at 24 or 25 years old simply because I had nothing else to do. I had no other opportunities and it was the only way that I could pay the bills. I also wanted to go back to school and get some more education. I did two or three years of a program and then had to drop out because my business was doing so well.

But, I didn't know anything about entrepreneurship. I remember the first time someone called me an entrepreneur I was like, "Oh, I guess I am." I remember I didn't know anything. I had never heard of venture capitalists. I had never heard of Kleiner Perkins until I was four or five years into the business.

I had never heard of raising money either. The only way you can start a business is with the money in your pocket. So I learned the hard way, if you start a business, you bootstrap it. I didn't know any other way. If you want to start a business you have to fund it yourself and that's what I did. I started my first business with \$2,000 borrowed off of my credit card.

Todd: How long did that take you to get that \$2,000 paid off?

Jim: I paid it off within a couple of months. But then I would spend another \$5,000 on my credit card. It's one of those things. The first year we did \$56,000 in revenue, the Summer of 1994. We did \$56,000 in sales and my expenses were \$56,000 and we survived to fight another day, one of those stories.

Year two we did \$300,000 in revenue and expenses of maybe \$250,000. At that point we were off and running on a cash flow positive basis. That's your first goal in a business. Your first goal is to get cash flow positive. I don't care about your market size and I don't care about anything, if you're 12 years in and not cash flow positive you are still a loser.

Todd: Yeah, and you're still in startup mode, essentially. You haven't graduated out of it. There's got to be a story there of getting escorted off the Coca-Cola campus by two armed guards.



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Jim: No, I really didn't do anything bad or anything. I wasn't convicted of any felonies or anything. They just decided that I was not a match for that company. It was very shocking. I had been in the Japan office for about a year and I had saved them about a billion dollars over the next ten years by the project I was working on.

I then told them I wanted to come back to Atlanta. No department head in Atlanta would stick their neck out and hire me. It turned out my boss in Japan was saying that I just don't play well with others. He said I was a great, smart guy but I like to take the ball and play with it by myself. He said I wasn't a Coca-Cola type employee.

I didn't do anything wrong. I just didn't fit in. They were right. They were smarter than I was. They realized that my personality was not corporate. I would not have been happy for a 40-year career in Coca-Cola. And it is really fortuitous, I had already strapped my career to two or three CEOs that all got fired.

So there was a series of CEOs at Coca-Cola, all with the first name of Doug, and in a three-year period they fired two Dougs and I would have been let go with one of them. At that point I would have had a mortgage and a kid and all that stuff and then would have gotten first so it would have been much worse.

It was the greatest thing that ever happened to me. It was one of those things, you look back in retrospect and thank the Lord it happened when it did.

Todd: A lot of people have had that experience where they might have been let go. I was fired from multiple jobs, not just one, in the early part of my career. Maybe it's just because corporate is great at weeding out the "entrepreneurs" straight off the bat, or rabble rousers, or whatever we might be called.

Some people's experiences aren't to just turn right around and start a business. They might wallow in shame, especially with a situation like yours where you really thought you were going to be bleeding Coca-Cola for the next 40 to 50 years. What I am trying to get to is, what is it about the way you looked at life or some of the influences you had growing up that might have caused you to possibly take a left turn when most other people would have taken a right turn?



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Jim: I did wallow in self-pity for a couple of months and I did look for other corporate jobs. I got some offers. Again, they were all to go back to Japan, which I had no desire to do. It took me a year or so of living in my parents' basement and being mad at the world to realize I just had to do something else.

As I said, I wanted to go back to school. I decided the only real path was for me to take the reins in my hand and start a business that would support me. I wanted to go to school nine months a year and so I decided to start a summer business.

I made a list of every business that I could that only operates during the summertime: pool cleaning, landscaping, and those sounded really hot and dirty and disgusting so I didn't want to do any of those. Children's education was another summertime business. They call it summer camps.

I was like, "I can do summer camps." I went to summer camp as a kid. So, even though in the end we were a full blown year-round Children's education company, we started off with just two summer camps and ended up growing it to nearly 100 different summer camps all over the world and tons of other divisions that were involved in education of children in some fashion.

It was really just a default. I crossed everything else off the list. There was nothing else left on the list except "start own business." That was the only thing left.

Todd: That's a very pragmatic approach. Many other people, how they get involved in their businesses, and SES especially, nowadays, there are a lot of people beating their chest on following your passion, and only doing what you are passionate in.

Jim: I so disagree with that. I think that's one of the dumbest things ever said. That's just a stupid idea, right? My number one thing is to make money. I'm willing to do almost anything that's moral and mostly legal to make money.

I don't care what my passion is. I've done lots of businesses that have made me lots of money that are in no way associated with any of my passions. I also believe that the lifestyle of being an entrepreneur is enough. I am passionate about the freedom that I have as an entrepreneur.



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I'm passionate about the fact that I get to wear blue jeans and a t-shirt. I don't have to commute. I can work when I want. If I want to make more money I work harder. If I want to go to ballet practice at 2:00 and soccer at 3:00 with the kids I can. I am passionate about the lifestyle of an entrepreneur, not the business.

If you tell me you're passionate about purses I think you're a materialist. If you tell me you're passionate about anything I am like, "you shouldn't be passionate about that." You should be passionate about your religion and your family. That's about it. Those are the only things that deserve the word passion. Other than that, you can just do something that you like.

And most people don't even do something they like. They just have a job they barely put up with and go home and have three beers just to recover from eight hours at work. I love what I do but I'm very willing to do any business as long as it allows me the lifestyle that I want, a lifestyle of freedom, a tremendous amount of leisure, my office is at home and looks out over a ginormous swimming pool that usually has kids floating in it.

I can babysit and watch the kids in the pool from eight feet away in my office and everyone I know is envious of my lifestyle. Don't worry about being passionate about the business itself. I would suggest being passionate for the lifestyle. The fun of entrepreneurship is enough.

Todd: You know, I joke with a friend of mine that whoever came up with the idea to start telling people to follow their passion, it was a very, very smart strategic play because basically what it meant was we were going to be throwing a whole bunch of people out there into this world of business that were never ever going to compete with us.

Jim: Well, you know you have to take a test to become a plumber or a doctor a lawyer and there is nothing you have to do to become an entrepreneur. I think existing entrepreneurs try to make it sound more difficult than it is or sound sexier than it is by saying you have to follow your passion and that if you're not following your passion you'll never succeed.

That's B.S. That's an entrepreneur trying to convince you not to be an entrepreneur.



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Todd: It's to be passionate about the people that are working with you on your team. Be passionate about that. I always think the way people are describing passion is that it's something that's out there. Passion is the thing you bring to something. Just as you were talking about religion before, it's the passion you bring to your religion or the passion you bring to your family and the passion you bring to the people that are working with and for you.

I love that you're absolutely passionate about getting that message out there because there are too many people out there who are trying to say the "right" thing or the politically correct thing to try to inspire people to be entrepreneurs. It's leading lemmings off of a cliff, essentially.

Jim: I think another big problem, Todd, is that people who want to be entrepreneurs are sitting on the sofa waiting to figure out what they are passionate about. They are not being entrepreneurs because they don't think they are passionate about "that."

I love woodworking. I love to make furniture. But I'm not really good at it. So I shouldn't be an entrepreneur in furniture making. I am good at other stuff so that is what I should do to make money which gives me more time to go to furniture-making school.

Todd: So, to wind back the clock to your high school years, what type of kid would you say that you were in school? Were you in the cool kids, were you a nerd? What kind of activities were you doing when you were in school?

Jim: I was just a loser. There is no other way to put it. I was the unhappy dork loser. I hated myself. I hated life. I wished every day that I would get hit by the school bus.

Todd: Wow. Where did that come from?

Jim: A little bit was that I went to a really snobby prep school. I was substantially younger than all of the other kids in my class. I was really late to hit puberty so there were kids in my class that were driving and shaving and I still hadn't started puberty really. At that age all of those things are so important. I was physically slower than them.



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Mentally I wasn't as advanced as they were. They were physically two years older than me. It makes a big difference at 15, 16, or 17 years old. I just wasn't happy in that environment and it was sort of a self-fulfilling prophecy. When you're unhappy you get picked on more. You are the obvious target.

I just didn't like the environment. I shouldn't have been there and I shouldn't have been there that young. It was just a miserable place for me. I was never happy until the first year of college where I was sort of able to get out on my own. When I went to college I picked a college as far away from home as I could find so that hopefully no one from my high school would go there so that I could have a complete redo in life.

Todd: Where was that college?

Jim: Middlebury College in Vermont.

Todd: That chip that was maybe developing on your shoulder, do you think that has stayed with you? Did it help you at all and serve you in some way in your professional career?

Jim: I do believe it has. That's a really interesting question, Todd. I do believe that a lot of entrepreneurs have something to prove and to prove those jerks back in high school that I'm not stupid and not a loser.

I do think there's a lot of that out there in the entrepreneur world. It certainly was true for me. I work very hard and have been trying to have a good career to prove the high school wrong, to create a situation where I'm happy with myself and I like myself. At this point my wife would say that I'm a raving egomaniac.

But I do like myself now. I like my career. I am proud of what I've accomplished. But I certainly believe that having a "chip on your shoulder" is one of the driving motivations of lots of entrepreneurs and I would put myself in that same bucket.

Todd: Yeah, it's a common thread, definitely, that has weaved its way through. My early career in business was working with professional Olympic athletes and still to this day I do on the mental side of things. That's why I've launched this podcast. The stories that



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when people look at someone from the veneer outside they automatically gloss over how that person got there. It is very, very different than the reality.

Even my professional athlete clients, every single one of them to a letter, will tell me that there was always at least one or two or three kids, maybe even on the same team as them, and if not on the same team, in the same league, that were better than them. They had more talent and more skill but they made it to that professional rank and it was because they just didn't stop.

Whereas, whatever it was that stopped those other ones, it did. Some of them carried that little chip on their shoulder, that they were always overlooked for All-Star teams or the coaches never paid attention to them. When they were on the ice with kids that were trying out for something and when they divided up the groups, all the ones that everyone deemed as being great went to one end and they got sent to the other end. No coach ever came down and watched them do their drills.

It just stuck with them and it's driven them to higher levels of success. So it's not necessarily a bad thing. Even in entrepreneurship, these challenges and obstacles, like you were referring to before, that people sort of try to explain a world of entrepreneurship that just isn't true and people stopping quickly at obstacles or challenges. Yet that's the very thing that will give you the juice to keep on going.

Jim: I agree with all of that.

Todd: When you first got into starting your business, what were some of the assumptions about owning your own business that proved to be completely false?

Jim: I don't think I made a single assumption. I started it as blindly as I could have with no knowledge of what I was doing. We didn't really write a business plan. I don't know I had any assumptions going into it. I think I was just too young, immature, and uneducated to sit down and think about it. That may be one of the reasons we were so successful. We went into it totally blind not knowing how difficult certain things could be and not really worrying about a lot of those issues.



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Todd: Do you think that's a hallmark of why many people will sometimes find success in business, because they just didn't know how hard it was going to be?

Jim: Sure. If they had known, they probably wouldn't have done it. I think I did flunk that category. I never sat down and thought about all of the issues that we were going to face as a business or personally because of it. I just did very little self-reflection. All I did was keep bullheadedly going forward and plowing ahead no matter what obstacles presented themselves.

I just believed from Day 1 that we could overcome anything because I didn't know that you could fail. You just had to succeed. I remember one time, to do one of our programs, we had to get a sponsor and they told us we had to get one of three people to sponsor us and, "Good luck, you can't really get any of them."

They said one was in Nepal, one was dying of cancer and was in the hospital on Hospice and the third had never answered their telephone and won't answer the door if you knock on their door. I got all three of those people to sponsor.

I just didn't understand the failure option. That was something I learned later on in life when I did have some huge gigantic failures. But at that point I wasn't smart enough to fail. I was just like a dumb bull going forward.

Todd: Where you're at today, someone who has a platform and is able to influence people through your writing and through the influence you have with developing pitches for startup companies and investing in companies, what were some of those darker moments along the path to where you are today?

Jim: Well, in early 2000, the bank told me I had 28 days to move out of my house and to leave all of my clothing and furniture and to leave the cars in the driveway because they were taking it all. I had a two-month-old baby at that time.

We were \$8 million in personal debt and had \$200,000 in assets to cover it. Those were very dark days. That's not something that's really exciting to go home and tell your wife about, "Oh, by the way, we have 28 days to move out of the house."



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Todd: You're right. That is, especially with me being a new father, you really take on that role of now being really responsible for this little person. So you have a two month old. How did you talk to your wife about that? What were those days like?

Jim: Absolutely living hell. There is no doubt to me that I don't want to go to hell because I've already been in there and seen it once. There is nothing more devastating to not only have to tell your parents but to tell your employees, your family, your wife that whatever business you're doing is going to go bankrupt, that you don't have a plan and because of stupid mistakes and decisions you made along the way, people you trusted that didn't come through, that you were looking at complete failure.

We didn't end up going bankrupt. We didn't end up losing it all. But it took two years to dig out of that hole and get back up to zero. That marriage did end up in divorce. I don't think it had anything to do with that period. It just was the fact that she shouldn't have been married to an entrepreneur and that's my fault because when I asked her to marry me I wasn't an entrepreneur.

I changed the deal halfway through so 100% of the blame is on my shoulders. But, it was a very, very, very dark period where, instead of wishing the school bus would hit you, you just wish the good old city bus would hit you or the plane you were on would wreck or something. That's one way to make that problem go away, just let this plane wreck.

Todd: Even some of those thoughts you are dropping right there about wishing the bus would just hit you, it's a real unique thing amongst entrepreneurs and athletes how just mentally they can go to such really, really dark places and yet they can come out of it on the other side.

From someone who kind of jumps in and dives into the six inches between the six inches between people's ears and obviously gets really personal with people with my clients that I work with, you get that stuff out of them. But it shows you the immense amount of resolve and, even the title of my podcast, the immense amount of Grit that you have and fortitude that you have to keep on going.



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THE GRIT 'N' HUSTLE SHOW

When you take a look at today or in 2011 when you launched the book, [School for Startups](#), what was it about that book that you wanted to get out to people?

Jim: At that point I had just been a university professor for nine years. So when I sold that business that was in debt and was essentially unemployed and had nothing to do, the university downtown called our big downtown university and said that their entrepreneurship professor quit. They had one week to go before school and they needed someone tomorrow.

I said, "Yeah, sure I can." I had nothing else going on. So I started teaching entrepreneurship in 2001 and I made a bet with my first class that I could start a business that semester and make it 100% cash flow positive that semester, repay all of the start-up capital that I used that semester. They got to choose the country and industry in which I would start the business.

This was right after 9/11, maybe three or four days after 9/11, and they challenged me to start a Pakistani furniture company. So I had 3½ months to build a profitable money-making Pakistani furniture company. I won the bet and made the same bet 12 semesters in a row and never lost the bet.

A reporter for the Atlanta Journal Constitution, who ended up being one of my co-authors, David Beasley (he is now with Bloomberg), came to me and said, "That should be a book."

I said, "Sure, if you can get someone to publish the book I will write it for you."

So he and I spent a week putting a one-page proposal together. We sent it to McGraw-Hill and three days later they wrote and said we had a deal. I spent three months writing the book.

Up until four days before it happened I had no intention of writing a book. It had never crossed my mind. And I ended up losing that bet because he found a publisher. As you said in the introduction, we sent one proposal to one company, one of the most prestigious publishing houses in the country, and they immediately said, "Yes."



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That really ties back to what we were talking about with John Livesay and the importance of pitching. We were able to get that book published because the pitch was so clear. The message of the book was so counter-intuitive, the thesis was so provocative that they immediately said they wanted to see a defense of this thesis.

The thesis was very simple, entrepreneurship has nothing to do with creativity, risk, or passion. I've already addressed the passion piece. But I also believe very firmly that creativity, while cool, is not required to be an entrepreneur and is no way one of the skills that you need to be a successful entrepreneur.

Risk is just bad. There is no risk that is good and I don't think that serial successful entrepreneurs are risk takers; if you study history that's just not true. You can find two or three that are but I'll find you 1,000 that did every single thing they could to reduce risk before they started their business.

That's just a better model. Not risking your house is a better model. Not jumping out of an airplane is a better model. The thesis was just so provocative and so counter-intuitive that we were able to get it published very quickly because the pitch was interesting, I want to hear a defense of that because everyone in the world tells me the exact opposite of that. Steve Jobs says to follow your passion. He said that at the Stanford graduating address. That's so famous. We said that was a stupid idea.

Todd: That's great because I was just going to reference Steve Jobs because people love to beat their chest and everyone loves to throw up images or memes of Steve Jobs saying that one thing as if to prove anecdotally that that's a truism in life. Those creative folks that are out there always point to Steve Jobs and say, "See that's exactly why I need to be an entrepreneur."

Living here in New York City there's just no shortage of events that I can go to to sit and talk and meet really successful people. A hallmark of many of the things that you hear from really great entrepreneurs or people who have made it, typically, in actually anything, is that they are looking to mitigate risk more than they are looking to just embrace it.



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However, there was a really great study that did come out a little while ago that said entrepreneurs do have a higher level of risk tolerance than many other people. They are actually tied with entrepreneurs. The only people who actually have a higher level of risk tolerance are really, really high-level sales professionals and Generals in the military. That doesn't mean they go out and seek it, it just means they have a higher level of risk tolerance.

So you launched that book and you weren't an author and you had no sort of desire to be one. So how did you actually get through that four months of writing? I know there are people on this podcast that are out there and all of them have some sort of message they would love to get out there and many people would love to have a book. Yet that doesn't happen. So how did you get that done?

Jim: By almost getting another divorce. I moved a lot of computers into the family room of the house and had piles of paper everywhere and really upset another wife. At that point though, I actually learned a trick from Sean Hannity. I don't know Sean Hannity but he has talked about this quite a few times, if you ever listen to some of the interviews where he is interviewed he mentions this, he doesn't write his books. He speaks his books.

I am naturally an orator. I loved speech and when I was a professor that's all I did. So I would take recordings of speeches that I had given and get them transcribed by one of the speechpad.com or one of those services, and that is 80% of a rough draft.

I'm not good at sitting down and writing and I think this is true for lots of entrepreneurs as well. You should just speak it and then get it transcribed and use that transcription as the basis for your first draft. That's my writing process.

About a month into it I discovered that and it was really simple after that. That's the only way that I operate now. I have another book coming out soon. It is a collection for four or five of the radio shows that I did. I got them transcribed and, BOOM, you've got a chapter.

Todd: I'm writing a book right now too. It's not that I'm writing a book, I'm speaking a book and working with a group of people, and it's the exact same thing. No one has speakers block. So that's a challenge I don't have to deal with by kind of going that route.



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One of the other things that comes up in my world a lot is I get asked a lot of questions around mentors or advisors that have come into my life to shepherd me along at times. I have had some really great, and in some instances, high profile ones. Have you had any people along your path be really great mentors? Or how much of a role has that played in some of your successes?

Jim: I have only had one mentor and that was my father. I run every decision that I make of importance past him at this point. I wasn't smart enough to do that in my 20s but I certainly do that now. I get his advice on everything. He was a physician but he was one of those weird physicians that was good at business.

Most doctors are horrible at business. I think he was better at business than being a doctor. He had a very successful business-medical oriented career. I married that one woman without asking his permission. As a man, you don't normally ask your dad's permission. But when I got remarried I asked everyone's permission, "Dad, should I marry this girl?"

He has been the steadfast rock, the bedrock, in my life. He has been the person that I rely on to tell me when I'm just flat out wrong. Luckily he's still with us and I'm still able to communicate with him daily. He lives right around the corner from me. I don't know if it's dorky or a sign that I'm still a loser or what, but I rely on my father as my sounding board.

I'm also going bald from the back to the front. I can't see that unless I take a picture of the back of my head or use two mirrors. He is my set of two mirrors. He is the guy that's there to reflect upon and say, "No Jim, you're wrong. You're being an ass right now, you're wrong. Wise up and go say you're sorry to that person."

He will tell me if something is a stupid idea and if a business is never going to work and no one will ever buy that product. He is that person for me. I do believe in the significant role of coaches and mentors. I think that's very, very true. I've just been fortunate that all I have to pay him is a margarita once or twice a month.



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Todd: Yeah, you are exceptionally fortunate. You're fortunate that you've got such a great relationship with your father that you can trust him to give you that honest advice even when you've got seven hairs left and he's told you that you've now got six. So that's great.

Just to kind of wrap things up, what are you kind of looking forward to in the coming years for yourself?

Jim: Certainly no more babies, Todd. We're not going to have any more babies. Four is the limit. My wife just walked by and gave me the evil eye.

I am excited to write some more books. I have some more books in me that I think people will enjoy on some particular topics that are dear to me. I have four or five books in the works right now that some weeks some get worked on a little bit more than others. And, I want to run one more big business with a lot of employees again. I have some things I am working on, businesses that I'm going to be the boss of again, and some big ideas that I have that I think will be exciting. I have one in the medical space that I'm very interested in.

We haven't mentioned this, but I have some medical issues myself so I spend a lot of time at the doctor and I just think that world could be done a little bit better. I am excited to do that and am going to be doing a medical IT startup. If anyone wants to throw in some money I'd be more than glad to accept your checks.

I'm excited for raising this group of children and more books and more entrepreneurship. The cool thing about being an entrepreneur is you don't have to retire, you can keep doing it forever until you die. And, I'm excited to go to Disneyworld.

Todd: That's great. Jim, where can people go to learn more about you and connect with you?

Jim: The easiest place is to go to jimbeach.com. I am @EntrepreneurJim on [Twitter](https://twitter.com/EntrepreneurJim) and I accept all LinkedIn requests so people can reach out to me if you are on [LinkedIn](https://www.linkedin.com/in/jimbeach) as well. I'm usually pretty responsive and try to get back to people, usually immediately.



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Todd: I've thoroughly enjoyed this, mainly because you've got such a refreshingly honest take on A) Yourself; and, B) Just the experience of being an entrepreneur and someone out there who is trying to birth something out into the marketplace.

I am looking forward to seeing the books that you're going to be putting out there. So thank you so much for taking the time to spend it with me and my audience today. I hope people do reach out to you so they can get more of what you've got.

Jim: I appreciate that very much Todd. I am very appreciative that you included me. Thanks a lot.

Todd: Absolutely. Cheers Jim! Thank you.

Jim: Bye bye.

Todd: Bye. Great stuff Jim.

Jim: Thank you.

Todd: That was fantastic.

My friend, I hope you enjoyed the interview with Jim. And, if you haven't already, don't forget to subscribe to the podcast on iTunes. Just type in Grit 'n' Hustle in the search and click the subscribe button. All the show notes, tips, links shared, and the transcript are over at the blog at <http://toddherman.me/episode14>.

We have great social media stuff already and prepped for you to share over there. When you do, just tag me [@Todd_Herman](#) and [@EntrepreneurJim](#) as well. There is a private community on Facebook where more discussion happens behind the scenes, access to myself, and requests for show guests occurs. Just type in toddherman.me/group in your browser and you'll be directed straight over to the community.

Alright my friend, let's wrap this up and get you back into your day. Remember, there's no easy road, there's no elevator to the top and there's always a back story of Grit 'n'



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Hustle to any great achiever. Go out there and live a story worth being talked about. This is Todd Herman and I am signing off!

Show notes at: <http://bit.ly/BeachGrit>

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[The Grit 'n' Hustle Blog](#)

[School for Startups](#) by Jim Beach

[Jim's Website](#)

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