

New Strategies for Improving Sales and Profits

Mercantile Commercial Capital's Chris Hurn briefs Good Morning Seminole!

Chris Hurn, CEO of Mercantile Commercial Capital in Altamonte Springs, spoke to the Chamber's Good Morning Seminole recently about New and Different Strategies for Multiplying Sales and Different Profits in Your Business.

"The breakthrough begins with some fundamental changes in how we think," Hurn said. "The first one is trying to determine what business all of us in this room are really in. In times like now, the reality is we have to get back to basics. People have a tendency to get lazy and sloppy when times are good, and now's the time to get back to the basic blocking and tackling, the fundamentals.

"Another change in thinking is when you employ direct response marketing as opposed to traditional advertising and marketing. Last, I like to think of abundance versus scarcity mindsets. It's pretty important. There's no zero sum game that works."

Hurn explained that a businessperson needs to do "what people are NOT doing in your industry.

Frequently you have to defy conventional wisdom in your industry, do 180 degrees opposite of what other people are doing.

"The second quantum leap is: since this is the business you're really in, whether it was your intent or not, you better put most of your focus on it. Now you understand why I spend

85 percent of my time on marketing and the strategy of my firm. Does this make sense to everybody? I like this quote:

"If you're not a risk-taker, you should get the hell out of business."

Hurn said that most small business owners and entrepreneurs are contrarians by their very nature.

"They tend to go against their family and friends when they decide to be their own boss. Everybody said you're crazy; you shouldn't do that and we did it anyway. We pulled ourselves up by our bootstraps. They're generally courageous and they see what I see, which is there are discounted assets out there. Now is perhaps a once-in-a-generation time to buy assets, be it commercial property, businesses, etc. I've been beating this



Chris Hurn

message home in my marketing for a while, which leads me to my next point.

"I probably spend 85 percent of my time these days focused on marketing and coming up with our strategies, which for a CEO you may think that seems a little high, but I'm going to explain why I do that. The rest of my time: 5 percent underwriting, 10 percent administrative matters. I have a lot of technical knowledge; I've trained everybody in our company. We still use the same spreadsheets I developed six years ago, but in rare circumstances does it come to me actually doing it these days.

"The reason is that I am constantly trying to determine and take a pulse of what's the highest and best use of my time. Is this the most valuable thing I could be doing at this very moment? I venture to say most of my clients and a lot of people in this room probably don't

do that."

Hurn also discussed the present economic situation.

"I think what's happened is we had a credit crisis that spread over to a crisis of confidence. It's mostly psychological."

Hurn noted that "there are over 9,000 banks in our country right now. Out of 9,000 banks, 117 of them are on the FDIC's watch list as of the end of June. Now, I expect that number to go up a little bit, but in the Great Depression, 4,000 banks failed. We're nowhere close to that. The FDIC has \$1.3 trillion in private capital behind it. We're a long way away from the banking system failing."

He recommended commercial real estate as a wise investment.

"My feeling is stocks, bonds, CDs, money markets, residential real estate, all that stinks right now. The only thing that's really working well is commercial real estate - which is somewhat problematic at the moment as well - or buying businesses."

"Frequently, you have to defy conventional wisdom in your industry."