



**SpeakerNet News**

P R E S E N T S

# Licensing Ins and Outs: Build Immediate Income by Becoming a Licensee or Licensor

A teleseminar with Jim Hennig, PhD, CSP, CPAE


Interviewed by Rebecca Morgan, CSP, CMC

**Contents of this report:**

- Synopsis of the teleseminar from the SpeakerNet News Web site, with an overview of the program contents and background information for Jim Hennig.
- Edited transcript of the teleseminar interview. The verbatim transcript has been edited to improve readability and to provide a list of additional resources.

**SpeakerNet News**

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# **Licensing Ins and Outs: Build Immediate Income by Becoming a Licensee or Licensor**

**with Jim Hennig, PhD, CSP, CPAE**

Should you consider becoming a licensee or licensor? What are the advantages and disadvantages of both? What are upfront costs for either role? What if you want out of the agreement or the other party doesn't deliver what they promised?

Jim has used both to build his business in good and bad economic times. In this business-building session, he shares his experience on how to use one or both business strategies to rapidly expand both your business and your income. Whether you're a beginner or veteran in the business, Jim gives clear information to help you quickly decide if licensing will work for you.



As a potential licensee, you will learn:

- How to double your topic and content offerings to better meet your client needs
- How to create more leads and bookings through the right licensor
- How to find potential licensors to meet your specific needs (who are not now licensors—and design your own licensee program)
- How to build instant credibility
- How to have multiple experienced trainers at your fingertips (who have done successfully what you are doing)
- What specific questions to ask to determine if this is the licensor for you

As a potential licensor, you will learn:

- How to create instant cash flow
- How being a licensor can become your retirement nest egg
- The questions to ask yourself before deciding to become a licensor
- What elements are essential in a good agreement
- How to increase your name recognition, visibility, and speaking income

## **About Jim Hennig:**

Around the world, James F. Hennig, PhD, is known as a dynamic keynote, seminar leader, and business consultant.

He was elected President of the National Speakers Association for 1995–96 in addition to holding the two highest speaking designations awarded by the Association: CSP (Certified Speaking Professional), and the coveted CPAE Speakers Hall of Fame Award.

A frequent speaker and consultant to many Fortune 500 companies and major national and international associations, his areas of expertise include negotiations, increased productivity, managing change, peak performance and presentation skills.

Jim's business background is diverse. He has been a national sales leader as well as president of four successful corporations in four divergent fields. An accomplished author, he has produced audio/video and interactive CD-ROM learning systems, as well as books and articles for business and trade publications worldwide. His training materials are available in 52 countries and have been translated into 23 languages.

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REBECCA: Let me introduce our guest expert, Jim Hennig, PhD, CSP, and CPAE. In addition to being a speaker and author, Jim has mastered how to use licensing to expand one’s business. He’s been on both sides and understands how to make being a licensee and licensor successful. He’s agreed to share his best practices with us today. Thanks for being with us today, Jim.

JIM: Thanks, Rebecca.

REBECCA: While it may seem apparent for most of our listeners, I want us to begin by asking you for just a brief description of both of the roles. Give us your brief definition of licensee and licensor.

JIM: Well, we’ll use some real technical terms here. I see a *licensee* is a person using someone else’s stuff to make money. Stuff is a key word here. A *licensor*, on the other hand, is a person sharing their stuff so that they and the licensee can make money together.

REBECCA: So the licensee is, “I’m using your stuff.” Then if you’re using mine then we have the “o-r” on the end.

We’re going to focus the first half of our call talking about the licensee. Then we’ll open it up for questions about that role. Most of our people are interested in how to become a licensor—how to license your intellectual capital to other people. So we’ll spend the second half on that and we will have a question time at the end of that as well.

Let's talk about the scope of involvement for a licensee. If I want to license your materials, what is the minimum involvement, maximum involvement, etc.? Give us an overview.

JIM: On my materials specifically, Rebecca, it is a maximum involvement. All of my content goes with the license. So consequently, it is a major thing for most people that are my licensees. On the other hand, when we talk about licensees, we could be meaning something as simple as a certified trainer or distributor of books or assessments. It might be called an affiliate or an associate or a regional director, where it's just a small portion of the licensee's business. In other words, it adds something to their business, but is not the main part of their business.

REBECCA: So there's really a broad range of, say, 10% of someone's business to 100% if all you did was present someone else's material.

JIM: Right. That's why it will be a challenge to talk about these things generally because there is quite a span of competency material or proprietary material that we might be talking about in either case.

REBECCA: That is fine. I think our listeners just want some general guidelines and help in the cases that they're thinking of.

Let's talk first about being a licensee and the advantages of doing that.

JIM: The first advantage, probably the biggest one, is to increase quickly your topic or content offerings. Thus, better meeting your client needs. Specifically, being able to go back to old clients with new topics. It's often been said that it's easier to find a new client than it is to find a new topic. That goes both ways, I think. A licensee can add a topic to their offerings and be able to go back to

previous clients.

Another advantage is avoiding the long and arduous task of developing content for a new topic. I think about when I first got into the business I, like most people, was a motivational speaker the first few months. Then I said, "I've got to get some content." I happened to come across two good NSA members who were licensing their time management material. I thought, "Hey, this is a quick way to get started in the business." So I got involved in that. It was a very profitable thing for me. It really put me on the track of a high-content topic with materials that I could market to the people in my audience. It's avoiding that long development time.

A couple of years into my business I had another topic that I wanted to explore and that was negotiating. I said to myself, "Well, I'm going to go out and find somebody that will license me their negotiation program." I found that I couldn't find anybody who was willing to do that. There was nothing available out there. I began developing my own material with the speaking engagements and everything else that I had going at the time. It took me about a year to put together the material that I thought was adequate. I did my first presentation in that area and I couldn't believe how poor it was. It really does take a long time to develop a substantial topic. That's one of the real advantages of becoming a licensee.

In essence, you become an instant expert. You can be presenting in a very short time on a new topic. You can meet your specific needs as a licensee. Here's another example. I saw one of our NSA past presidents had a beautiful assessment