

A GAME CHANGING TESTIMONIAL

By J.W., Alternative Energy Consultant

Last year I was privileged to attend Norm Stoehr's "Game Changer" Negotiation Workshop. I was impressed with the ideas at the time, but became a huge fan a few months later when I had a real world situation to apply these principles.

I am a consultant in the alternative energy industry. In the fall of 2010 I was approached by a company that was interested in considering me for project acquisition work. This was in the wake of some large funding they had received and the directive from this funding partner that they expand their project pipeline significantly. Given my background and contacts, I was particularly well suited for this work. This was a potentially long term engagement with significant compensation, so I wanted this assignment very much.

Norm's negotiation program has many concepts. I used several of them in preparing my proposal and handling the negotiation process with this potential client. The following principles were particularly valuable:

BATNA – Best Alternative to Negotiated Arrangement. This means being aware of each party's next best alternative to consummating the deal at hand and taking full advantage of your strengths.

MESO's – Multiple Equivalent Simultaneous Offers. This involves creating a complex matrix of offers, all of which would be equally attractive to me.

REAL TIME NEGOTIATION – It is important to present and discuss proposals in real time. The best method is face-to-face. Objections, ideas and counter proposals can be dealt with quickly and a win/win outcome has an excellent chance to be crafted.

In thinking through each party's next best alternative, I determined that I was in a very strong position. I knew that my prospect was eager to rapidly grow their project pipeline due to pressure from their new financial partner. I was likely the best candidate to help them with this given that my background and contacts dovetailed almost exactly with their goals. And I figured that if this deal didn't happen, I could approach other companies in the industry who were also interested in acquiring projects of this type.

My client asked me to send him a proposal. Armed with Norm's program, I insisted on a face-to-face meeting to present and discuss my ideas. My prospect agreed. During this meeting much useful discovery occurred. It was particularly important for my prospect that both party's interests were aligned to the ultimate success of project exits. They had pushed back on long tail periods and termination notice but both of these were important to me as I would be putting my contacts and reputation on the line and was unwilling to do this without adequate timeline protection.

Based on a productive give and take discussion we were able to agree to a contract that skewed to higher back end compensation but included longer tail time lines and termination notice periods. The final contract was very much in line with any of my MESO's, but gave the client benefits in the areas he valued highest.

In preparing the proposal I created a matrix with several variables and a series of trade-offs:

Monthly retainer. Low, medium or high depending on several trade-offs such as if I would offer additional services or accept different levels of success fees.

Project acquisition success fees. Low, medium or high again depending on trade-offs in retainer levels and back end exit success fees.

Back end success fees. Low medium or high depending on the trade-offs discussed above.

Tail length. Different time horizons for expiration of success fee entitlement.

Retainer termination. Variations in how much notice I would be given for canceling my retainer contract.

Exclusivity. Variations in the range of project size covered by an exclusivity clause.

I treated the preparation as if I were solving a puzzle, which made it fun, and this created an interesting matrix of "MESO's" that I laid out in spreadsheet style. I was equally satisfied with any of these deals, and we could move preferences around to create more, if necessary.

Issues	Option A	Option B	Option C
Monthly retainer:	\$5,000	\$8,000	\$6,000
Scope of work:	Project only	Add'l. consulting	Project only
Upon project acquisition:	4%	3%	3%
Upon project exit:	2%	2%	4%
Tail upon project acquisition:	3 years	2 years	2 years
Retainer termination notice:	2 months	3 months	2 months
Exclusivity Floor:	\$40 million	\$30 million	\$20 million

I am certain that applying Norm's concepts led to a much more favorable contract in this case than I would have negotiated without it. I recommend Norm's Game Changer negotiation program without hesitation, and would be happy to discuss this with anyone considering the program. I've authorized Norm to give you my mobile number.