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You Bet

I might have lost money on my investment, but I won big time by hiring the best guy that worked there! Kyle Seay a superstar at PAR.

My old friend Lance Dean (co-founder of www.2gig.com and www.encorecontrols.com) and I laugh at this point. It seems as if we both have many examples of how we do well when we bet on ourselves—or at least we know who to blame—and that it is almost a guaranteed loss when we hand money to someone else. Restaurants, financial planners, stock brokers, dreamers and schemers. I invested $25K in a restaurant in nearby Southlake, Texas, and right out of the chute the guy running it started using the place as his personal piggy bank. My first clue that this was not going to work was when he decided the place should be named after him! The second clue was when I was willing to sell my shares two months into the deal for half off at $12,500. He wasn't interested in buying them, but he was curious why I would be willing to lose that much. I told him if I could recoup 50% I could use that money to make up the loss over a period of time. He missed the first two shareholder payments, and I was sure my investment would go zero under his non-watchful eye. It did.

Was I or am I mad? Absolutely not, it was a valuable lesson. Am I mad at the person that had his name on the restaurant? Absolutely not, in his mind he believed he could do it! But you don't want minority interest in investments, and you want to be able to do what you need to do to turn a tough situation around. You can't do that when you have very little say in your investment. I read this question awhile back, and I love it! When deciding to invest in something ask yourself, "Is this your dream or their dream you are investing in?" If it's someone else's dream, make sure you have a clear path to getting your money back or how you can create a revenue stream. An estimated 50% of businesses fail in the first five years. I feel that you have far more control and a better chance of success when you bet on yourself.