

## WINNING THROUGH INTIMIDATION

By Robert J. Ringer  
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Introduction: Why use the word "intimidation" in the title of the book, resulting in a label that will antagonize so many people? Ans: *For the reason that makes you afraid of it.*

There are 3 types of people who will not relate to the contents of this book:

- (1) Mr. Magoos ... they will not have a deep thought in their heads and swear they just read a book on real estate. They will miss the whole point. It's about REALITY.
- (2) The Ostriches ... head in the sand, will go through life believing that anything new or enlightened is "evil", and anything familiar or suppressing is "good".
- (3) Tell-It-Like-It-Is folks ... straightforward people who believe I'm a lousy writer.

### **CHAPTER #1: Shattering the Myths**

The "Great Salesmen" ... are usually not even *good* salesmen. All show, no dough.

- (1) Successful men naturally absorb the success "myths" handed down over the ages, even though they don't practice them.
- (2) Most successful men feel guilty about their success, afraid to acknowledge the realities of how they made their money.
- (3) Authors, for commercial reasons, withhold the realities of their success ... because accepted success "rules" often sell better than realities.

Positive Mental Attitude ... widely misinterpreted. PMA is not a *cause* for success, it's the *result of being prepared*. Be realistic (only a small percentage of deals actually close), and confident that you can make the sale, *if it can be made*.

**Prepare for the best, assume the worst ... because experience shows that most deals simply do not close, for an endless number of reasons beyond your control. Learn and move on.**

Work Long and Hard ... there is no standard for what *long* and *hard* are. Be efficient by being selective. Also, remember the law-of-diminishing-returns ... fatigue causes sloppiness & errors.

Hard work will not: (1) *Prevent* success, unless you go beyond diminishing-returns, or  
(2) *Assure* success, either

**Working long, hard hours will assuredly get you one thing ... older!**

The message in most "how to" books ... if a person has a positive-mental-attitude and works long, hard hours he will ultimately succeed.
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## **CHAPTER #2: Replacing the Myths**

### **5 Theories are roots of my philosophy:**

Most people pay lip-service to *reality* but do not acknowledge it in actual practice.

(1) THEORY OF REALITY ... reality is the way things *are*, not what you wish or appearances. Acknowledge it, or it will work against you. The single factor most responsible for failures is the inability to recognize reality.

(2) THEORY OF RELATIVITY ... you must consider facts in a *relative* light. For example:  
(a) ðHonestyö only has meaning relative to some standard, and everyone tends to define it conveniently to fit his own actions.  
(b) ðLong and hardö is relative, also. So is ðsuccessö.

(3) THEORY OF RELEVANCE ... no matter how interesting, true or pleasing, if it is not *relevant* to what you want to accomplish, do not consider it.  
(a) It is not relevant how much money it took the seller to build the property.  
(b) Two parties to a transaction should not waste time discussing how much they can trust each other ... it's irrelevant (get everything in writing!).

(4) THIRTY YEAR THEORY ... most people ignore that they are going to die, on the average in *about 30 years*. Don't get buried in the ðwould-beö sands of eternal life. Get on with it. This time around may be your only shot. Go after all you can get, and get it as quickly as you can.

(5) ICE BALL THEORY ... don't take yourself too seriously. In 1000 years nothing you've done will make any difference. You have an advantage over an opponent who views every deal as life-or-death. You can't get out of this thing alive anyway, so why play a conservative game?

## **CHAPTER #3: Knowledge Acquired Growing Up**

The more a person tries to discourage you, the more insecure *he* is.

### 2 Theories to fight against discouragement:

(1) TORTOISE AND HARE THEORY ... I'm slow because I'm a perfectionist by nature. It is not so important to be the life of the party. What's important happens when the party is over.

**Don't tell me how fast you get out of the starting blocks.  
Tell me where you are when the race is over.**

(2) COURT HOLDER THEORY ... the guy who makes a career out of ðholding courtö, surrounded by information-starved puppies, is a champion intimidator. Don't be intimidated by know-it-alls who thrive on bestowing their knowledge to insecure people.

**The only thing that's relevant is what *you* know and what *you* do.**

## **CHAPTERS #4 Thru #7: Three Types of Business People**

In business, nobody *ever* does anything for anybody without expecting something in return.

The next 3 Chapters describe the types.

In particular, *the seller of a property, where you are the real estate salesman, will always try to grab your chips.*

### **CHAPTER #5: Type #1**

He says *up front* ... he is out to get your chips.

I meant to cut-off your hand at the wrist. Before you reached for your chips, you should've remembered my warning.

Nuggets: (a) Referred to by other names, like crook, bastard, and bad guy. He is the intimidator ... hard to turn the tables on him.

(b) Do business with him with your eyes-wide-open ... he wants your chips.

(c) There is no benefit-of-the-doubt, deals are totally one-sided, in his favor.

(d) His style is to tie the other guy's hands behind his back, bind his feet, close off all exits and then negotiate.

### **CHAPTER #6: Type #2**

He says he is not interested in your chips, but he's *lying*, and he tries to grab them anyway.

I meant to cut-off your hand at the wrist when you reached for your chips, even though I assured you I never would.

Nuggets: (a) Just plain treacherous and devious ... hard to recognize and hard to handle.

(b) They spend a lot of time expounding about honesty and integrity ... red flags!

(c) If they refuse to sign the commission agreement, they are Type #2s

### **CHAPTER #7: Type #3**

He says he is not interested in your chips, and he *means* it, but for any number of reasons, he still tries to grab your chips.

I didn't mean to cut-off your hand at the wrist, but I had no choice when you reached for your chips.

Nuggets: (a) Good intentions, but as closing draws nearer, their pencils get sharper.

(b) It is *not relevant* that they express concern and feel bad about pursuing your chips.

**Universal Attorney-to-Attorney Respect Law:** Buyers and sellers are represented by attorneys at closings. Why shouldn't the salesman, too? ANS: (emphatically) He should!

## **CHAPTER #8: Other Early Learning Experiences**

The game of business is played in a jungle, *not* on a playground.

I realized I needed to change my position to one of *strength* ... and that I would begin to earn, and receive, big income. 3 examples stand out:

(1) If you are just starting out and *need* the commission, the other guy can sense your anxiety. When you let it show, you are allowing yourself to be intimidated. Work only on deals that have the potential for a big payoff ... making your time and effort worthwhile.

(2) Generally I am described as *only a salesman*, not really entitled to a large commission. You have to upgrade your position so that you are perceived as having a right to earn big money.

(3) Even if your lawyer attends the closing, sellers may still balk at paying commission. I once was paid by personal check, then raced to cash it before the seller could stop payment.

## **CHAPTER #9: Establishing my New Philosophy**

The problem most people have with reaching their objectives is that they constantly allow themselves to be intimidated.

Time to graduate from Lessons-Learned University and succeed BIG. From now on, I would be the intimidator and maneuver the principal into the role of intimatedee.

(1) LEAPFROG THEORY ... there is no obligation to work up through the ranks. Every person has the right to self-proclaim. Announce at any time that he is on the level he chooses.

(2) THEORY OF INTIMIDATION ... the results a person obtains are inversely proportional to the degree to which he is intimidated.

(3) POSTURE THEORY ... it's not what you say or do, it's what your posture is.

(a) Knowledge and ability are important, but posture is *most* important.

(b) I needed to be so powerful to the principals that they *had* to respect me and feel I had the *right* to earn BIG money. I needed image power, performance power and legal power.

(c) For legal power, having my attorney present at the closings was only a formality, the frosting-on-the-cake. I decided on 3 critical legal tools to avoid lawsuits:

\* Real estate license ... always have one in the state where the property is located

\* Signed commission agreement ... always get one before starting to work

\* Certified mail ... documentation that you've linked buyer and seller

Once I announced that I had leap-frogged to a new level, I knew that the heat would be turned up. I would be the object of attack. I would invite jealousy and resentment. These are natural by-products of getting ahead.

**Being liked was not much of a reward for being poor and disrespected.  
Having money and being respected more than offset having a few people dislike me.**

## **CHAPTER #10: Using Posture Power**

I not only had to be above being "just another salesman". I had to be beyond even being asked who I was.

Establishing "image power" to avoid having to justify yourself. Position yourself to be the intimidator:

- (1) Spectacular brochure ... 10"x10", hardcover, glossy, \$5 apiece. It accomplished things:
  - (a) Eliminated the question of who I was
  - (b) Made it impossible for the seller to forget me
  - (c) Intimidating image ... he must be *somebody*
  
- (2) Qualify the property ... the majority of deals are not marketable. Expend your effort on the few makeable deals, not the endless unmakeable deals with small hope of closing one.
  - (a) Cash flow is the name of the game for professional real estate buyers.
  - (b) Tax loss and depreciation are frosting-on-the-cake, not primary considerations.
  - (c) Unsaleable property owners focus on the cost to construct, or quality of construction.
  - (d) The more desperate the owner, the higher the likelihood of making a sale.
  - (e) Owners are so unrealistic when it comes to vacancy rates and expenses that I consider their statements and projections to be virtually meaningless.
  
- (3) Personally inspect the property before making any commitments ... the real purpose of the trip is to get the commission agreement signed.
  - (a) The greater the distance I traveled, the more of an "expert" I became.
  - (b) I traveled with an entourage of 1-to-3 assistants with calculators, materials and equipment ... leaving nothing to chance.
  - (c) Don't say you can "sell" the property ... say you can "do something with" the property.
  - (d) Don't ask him to sign a "contract" ... give him a one-page "understanding"
  
- (4) Get commission agreements signed during the first meeting ... while image-power is strong.
  - (a) Carry many variations of understandings, *not* looking too legal, being very practical
  - (b) Get as much information as possible beforehand and fill-in-the-blanks of the form before presentation.
  - (c) If changes needed to be made, the traveling staff could crank them out quickly

Recommendation: Avoid working with other salespeople, or "co-brokering". The worst possible way to obtain a deal is to get it from another salesperson. Co-brokering skirts the real battlefield where everything takes place.

**In any pursuit in life, if you are "co-brokering" you are avoiding the arena,  
the place where it is all happening.**

## **CHAPTER #11: Locating Buyers**

The easiest step of all ... it is to the buyer's advantage to look at as many deals as possible.

Warning: Most buyers are not buyers at all. Many salesmen are repeatedly lured in to wasting a great amount of time and effort working with "buyers" who never actually buy anything.

(1) Ask for his guidelines for buying property. If he has none ("interested in looking at anything"), he is probably a non-buyer.

- (a) Non-buyers tend to dwell on secondary items ... location, construction, age
- (b) Serious buyers get to the nuts-and-bolts right away ... they understand the mathematics for calculating cash-flow

(2) Use a Buyer Information Form.

- (a) It helps me determine if a certain property fits a buyer's objectives.
- (b) Determine if the "buyer" is a principal or another broker. Eliminate brokers fronting as buyers. No matter how wealthy a principal may be, he's never too rich to decline a nice little finder's fee on the side.

**It is somewhat of a paradox that even though a salesman technically works for the seller in most cases, it's the buyers with which he has the continuing relationships.**

I lost my commission on a deal once after spending a lot of time and effort with a buyer and his bogus "associate". They worked together illegally to take my chips. I could have sued ... but these are the reasons I did not take it to the courts:

- (a) The buyer and seller both claimed they had been talking to each other before I got into the picture. I did not have the buyer's support. In fact, the buyer was acting against me.
- (b) The buyer refused to accept any responsibility for the actions of his "associate".
- (c) The "associate" lied about telling me he was working with the buyer. No matter how experienced and sophisticated you are, it's hard to cope with someone willing to go the whole route and tell the Big Lie.
- (d) There was just enough confusion surrounding the facts that a smart litigation lawyer could confuse a judge or a jury.
- (e) Our court system always gives the wrong guy the advantage. I couldn't afford the time (3-5 years) and the costs, and didn't want the continued aggravation.
- (f) There was a strong rumor that the sellers were about to declare bankruptcy

## **CHAPTER #12: Performance Power**

I wanted "performance power" ... to be considered so good at my job I would have *total credibility* with buyer + seller.

I don't know of any business where the development of good systems to delegate authority and minimize errors is not crucial.

(1) Keep lines-of-communications flowing through you, not around you.

(a) Conference calls: If a buyer or a seller ever indicated they wanted to talk to each other, I made it a *three-way* conference call instead. If buyer and seller ever talked without me, it was a "puncture" to my carefully-developed posture. Punctures are malignant and spread rapidly.

(b) Property inspections: The sale isn't going to take place until the buyer makes the trip to inspect the property. I don't want buyer and seller to meet face-to-face without me.

Encourage the buyer to make the trip and hurry the buyer's decision by:

- \* Spoon-feeding the buyer any and all information he wants. Try to remove responsibility from everyone else involved in the deal. You don't want to be waiting on an uninterested 3rd-party for info the buyer thinks is critical.
- \* Continuously impress upon the buyer that all his questions will be answered fully by meeting the seller and inspecting the property.

(2) Never let the buyer and seller meet without you being there, too. I traveled to the buyer's city to accompany him on the trip to the seller's city, but primarily to ensure they didn't get together without me. I was always between the buyer and seller, taking the initiative, discussing the deal. Like Mary and her lamb ... *everywhere the buyer went, I was sure to go.*

THE FIDDLE THEORY: Assume time is working against you when trying to make a deal. Reality is that circumstances are always changing, and most of the time you have no control.

**The longer it takes to get to closing, the greater the odds that the deal will *never* close.**

## **CHAPTER #13: Closing the Sale**

I assured the buyer that this phenomena would occur. When these questionable offers did start to come in, it *added* to my already strong posture.

Invariably, after the buyer and seller have generally agreed on a deal, suddenly *everyone* wants to buy the property.

What causes a sudden onslaught of offers?

(1) THE BOY-GIRL THEORY: Everybody wants what they *can't* have and doesn't want what they *can* have. So, the nearer a deal got to the point of closing (or "unavailable"):

- (a) the more *other* buyer's imagined they wanted it, and
- (b) the more the seller thought of it as a deal he *could* have (which, of course, was bad)

(2) THE BETTER DEAL THEORY: Before a person closes any kind of deal, he worries that there might be a better deal just down the road.

Once buyer and seller agree to agree, time is of the essence!

(1) Take matters into your own hands, move swiftly: Be available for the buyer or seller 7x24. You don't want your commission riding on the performance of someone else.

(2) Be a party to all conversations and meetings between buyer and seller. Two major obstacles remain before the closing:

(a) The Attorney Goal Line Defense ... most attorneys (at least subconsciously) believe it to be their primary function to find a way to kill every deal. My strategy against Legalman:

- \* Don't get tough at closing, but don't cower, either
- \* Be cool ... "problems" are not obstacles, just points to be handled naturally
- \* Resort to Boy-Girl Theory ... does seller want to lose this girl?
- \* The more desperate the seller, the more likely he will trump Legalman
- \* Adopt the attitude *this is going to close, and the only purpose of our all being present is to "handle" the normal "points" that come up at every closing.*

**Legalman is the major obstacle in every sizable transaction. But an attorney is nothing more than a college graduate with a special right to openly practice intimidation.**

(b) Seller's Dirty Laundry ... no matter how many times you're assured all of the information provided is correct, there will be major undisclosed items of a deal-killing nature.

- \* To soften blow, prepare the buyer for it ahead of time (eliminate shock value)
- \* Scramble ... try to get seller to lower price "fairly" to account for late surprises

## **CHAPTER #14: Getting Paid**

It's wonderful and moralistic to have your client's best interests at heart, but your wife and kids would prefer you have their best interests at heart, too.

The object of the game is not to close deals, but to receive satisfactory compensation.

**There is no conflict in doing what you agreed to do, doing it well, and getting paid for it. The only "conflict" is when the seller realizes if he doesn't pay you, he gets more chips.**

Protect your strong posture as closing draws near:

- (1) Keep your finger on the pulse of the deal, and bring an attorney to the closing
- (2) Maintain a good relationship with the buyer (and have his moral support, at least)

If the seller *still* tries to take your chips:

- (1) No bluffing ... if you threaten to walk away, you have to *mean* it. Don't be intimidated.
- (2) Lawsuit ... from a practical standpoint, the inadequacies of our legal system are such that even the winners of a lawsuit usually end up losing. But if it is the only course left, don't bluff. Do it.

## CHAPTERS #15 thru #21: 1<sup>st</sup> Year Results with New Philosophy

City	Description	Approx Sale Price	Commission
Kansas City #1	4 apartment bldgs	\$ 6,500,000	\$ 221,447
Kansas City #2	4 apartment bldgs	\$ 6,000,000	\$ 205,455
Dayton	apartment complex	\$ 4,000,000	\$ 35,000
Memphis	2 apartment bldgs	\$ 4,500,000	\$ 50,000
Dallas	2 apartment bldgs	\$ 1,600,000	\$ 100,000
Omaha	15 apartment bldgs	\$ 4,500,000	\$ 238,000

(1) Kansas City #1: Buyers were nice Type 1s, wanted my chips, and tried to commissionectomy. Over drinks, whined "\$375K commission was crazy, don't lose deal. Take \$150K instead." I packed-up and left, they capitulated. I said "No negotiating, but I'll take another \$50K now in lieu of a commission on the remaining unbuilt 1000 units."

(2) Kansas City #2: Last half of the first deal, two months later. I bought a Learjet ... good image power! Dirty laundry started coming out, buyer wanted to back out. I took control and fixed everything. Closing went smoothly.

(3) Dayton: Commission was the result of settling lawsuit I brought for failure to pay commission. Seller and partners were full Type 1s and colluded against me. I did not have my lawyer accompany me to the closing ... next thing, deal done but nothing left for commission.

(4) Memphis: Commission was the result of settling a lawsuit. Sellers were two Type 2s, the worst kind (Good ol Boy and Mumbles). They fiddled and fumbled and lost several deals. I sent my lawyer to the final closing without me, but deal closed in his absence with no commission, an unheard of violation of the Universal Attorney-to-Attorney Respect Law.

(5) Dallas: Quick and smooth. I started with a 5.5% commission rate proposal, and I ended up with 4%. The buyer and I had great rapport, and he made payment of my commission a condition of the sale! Legalman tried to block some of the payment, but my buyer stood firm.

(6) Omaha: Same buyer as in Dallas, so I had his full support. Even though only 50% of the marketed sale was consummated, I got the full commission on 100% of the value. Seller was a new variety of Type 2 ... dumb as a fox. My attorney handled the closing without me.

**There were scores of deals that did not close. It's a reality. If I hadn't understood that in the beginning, it would have been very frustrating. You must understand that!**