

"The Robert Plank Show"



Episode #022

[Setup a Legitimate Online Business including an LLC, Support Desk & Membership Site](#)

This report is for personal use only. You do not have resale rights of any kind to this report.

Facebook: www.RobertPlankShow.com

Blog: www.RobertPlank.com

Copywriter Robert Collier said, "Success is the sum of small efforts, repeated day in and day out." We have to keep in mind as we are all building our own online businesses, creating passive income, and trying to claim the life and destiny that we all deserve and want to have.

You might know me, my name is Robert Plank. I am an ex-computer programmer turned into a marketer online business owner. Some of my websites include [Action PopUp](#), [Backup Creator](#) and [Paper Template](#). I did my first one million dollars online by the age of 25.

We are going to talk today about how to have a legitimate online business. This is something that has come back to rear its ugly head, time and time again with me. If you know my story at all, I worked at a day job for the first few years of my internet career. A big reason why I did not quit is because I wanted to be legitimate.

Table of Contents

Income Machine	3
Business Entity	4
Partnership (Only When Necessary).....	5
Membership Site.....	6
Support Desk.....	7

I wanted things like I wanted to be able to buy a car, I wanted to be able to buy a house. I was concerned about, if I am just making money online or if I am just getting my PayPal payments, how am I going to prove that I am making this money?

The other thing is that first year that I was full time online, I do not like to talk about money too much. But this was years ago. At first year, I was full time. I made about \$225,000 and my tax bill was about \$90,000.

Since then, my income has increased, but it was a really scary place to be. If you have been building your own online business or making this progress, you know that this is the way it works. You have set of problems in front of you, you solve them, you get to the next milestone and you have a new set of problems, and that is just progress.

You will never get problem-free, that is called death. But, as we are getting to the next step in our career, in our business, the next level of income, next tax bracket, we come across different kinds of obstacles. Today, we are going to talk about how to legitimize you, which means that you have your own website in the search results, you have a support desk to handle customers, you have a membership site to manage your customers, you partially outsource, you have a legal or non-legal business entity to protect your assets, bank account, a few things to do with tax-wise. Here is an extra bonus for you, it is how to take on a partner and if and when that should happen.

Something to think about and something that we have asked this question enough is, "What is your name?" If I type in your name in the search engines, what comes up? Is the whole front page you or is it someone else, or even worse, there is nothing that came up and I cannot tell you how many people I meet where, they say, "My name is John Smith," or they have even like a really rare name and I search them and I get some Facebook pages, LinkedIn page, or maybe some forum posts.

Income Machine

If you are an online marketer, you need to dominate the whole front page of search engines especially Google, so how do you do that? Well, I am glad you asked because today's episode of the Robert Plank Show is sponsored by incomemachine.com, where we will get your business set up in three days or less.

You have "You," right? You are a human being. You have your company. We will talk about that in a little bit. Then you have basically your flagship products.

Our company name is Double Agent Marketing LLC. Our flagship product is called "[Membership Cube](#)." It is a course on how to make your own membership site. So, when you go and searched Google for this term membershipcube, what you are going to get are all of our results and of a few people talking about us on social media. But the first result is our product.com, membershipcube.com.

The second result is the blog that talks about us which is membershipcube.com/blog. When someone searches for you, they need to find you as that front page first result. When someone searches Robert Plank, or if I search myself, Robert Plank, I get my blog, my Twitter, my YouTube account, my Facebook, my iTunes, and as I go along, you find my various products, my printed books, my courses like webinar crusher. That is what someone needs to find when they search you.

That is what [Income Machine](#) is all about. It is getting your online present set up. So, you need to have a domain name of your own, an opt-in page where someone can join your email list, a followup sequence so that you keep sending messages to them. A blog, so that people can find out what you are all about, a sales letter so that people can buy from you, and traffic, there is a few other pieces, but income machine will get you to have that whole internet present set up.

What we are going to be talking today about how to set up a legitimate online business, legitimate online present. The first thing is that when someone searches your name or the name of your product, you need to be all over the place. Why do you think that I do things like this podcast, because I want to have these blog posts, I want to have things on iTunes, I want to be everywhere on the internet, hopefully is a bonus, but you need to be everywhere on the internet.

2009 was my first year of being full time and I was hit with a \$90,000 tax bill. I mean ridiculous right?

That was scary because most of us do not have \$90,000 tucked away in the bank. If we are making \$225,000, we are not going to think about tucking away \$90,000 in the bank. It is like, it is a scary place to be, but I kept having a positive attitude, I am realizing that. Well, in order to have this big tax bill to pay, I had had to make this amount of income.

Business Entity

On my first year online, I was sole proprietorship which means I was just doing business under my own name. You might hear people recommend things like doing business ads like, "You run an ad in a newspaper, now you can basically have a pseudonym for your name." It does not really do anything. I do not want to give legal advice or to say this for entertainment purposes only, but one of the easy things to do, to basically minimize things like taxes is to establish what is called LLC, limited liability company, if you use a site like that, called LegalZoom and get it underway for a couple hundred of bucks.

Do not worry, once again, there is always better like people saying, "Well, you just set up an LLC in that you can supposedly save taxes and you cannot." People saying things like, "You should write off your clothes. You should get your initials on border of a suit, you craft the suit." Actually no you cannot.

There are all of these people who tell you about "tricks", but basically the best trick supposed that you could do is go to LegalZoom, get an LLC set up. That way, you can process payment through that separate entity and not have to do it, just throw your own personal name, makes you appear a little bit more legitimate because you have a real company, then you can pay yourself out from that, and knock on wood, if anyone has to go and look at those finances, they can see people you got paid, for example, through PayPal, through the LLC, then that LLC, PayPal withdrew to the bank account, also and by the LLC, that bank account transferred into your personal bank account, that way the money can become separate.

Now, I do not want to get too far down this rabbit hole or too much about tax advices. I am not an accountant, do not listen to this, but when you follow your taxes in LLC, it is like a pass through, you still file as yourself, but you staple these extra pages, and it is just a way of separating this business income from your own income.

Basically, use LegalZoom to get an LLC set up. Even if you already have PayPal account, you get a new PayPal account set up under this LLC where you can take payments through that company, then you go to your bank and get a business set up, you give them like the EIN number from your LLC, set up that bank account.

I know, a lot of you are getting there, but that is just an easy way to get things set up. Then, that will be really useful though because when you go to your accountant, when it comes tax time, and you say, "Well, here is my business income. Here is my personal income." Then that person will have an easier time submitting the proper forms and categorizing your expenses. That way you can minimize your tax burden basically.

I mean, I hear all these tricks such as, "Get a P.O. box, and then drive through the P.O. box and then write off your mileage so you can save 10 bucks a year." I mean, what I just like to do is keep tracking my sales, keep tracking things like travel, computer equipment, memberships that I pay for, and then I just give my accountant the itemized list. That way we can say, "Well, this is the LLC, this is my personal tax situation."

If I can give anyone advice, I would say hire a real accountant. Once again, I see people that try to do their own taxes, stuff like zero tax. Some of this business stuff is tricky. I just do not want you to make any of these mistakes.

For example, I see people trying to write off their cars through their business, and not use the right form. It really scares me to even talk about it.

Pay the few hundred bucks to [LegalZoom](#) to get it set up. Pay the few hundred bucks to your accountant so that everything is done properly and then you are on your way to having a legitimate online business. In 2009, I had this tax situation.

Partnership (Only When Necessary)

Let me just take you to the next problem. The next problem that we had was, while in 2010, you might know my business partner, Lance Tamashiro, I met him just about every one of these podcast. We began working together.

I worked with 10 or 12 people over the years on a bunch of different projects, and it was always a gentleman's agreement basically. With Lance too, we get a lot of projects together. It just came to the point where we just wanted to stop this whole thing, it was like figure out one person takes the payment, and then it has like send it over, and it was really tricky to figure out who own what.

We were building some of these sites that we were planning on having around for a long time. We do not want to have any disputes about ownership. We wanted to be equal partners for both our sakes.

We did not want either one of us to feel taking advantage of. Lance figured out this whole thing and he set up an LLC where we both half owners, we both signed documents where we both own 50% of the shares in this company that we both own. Lance and I own an LLC together, he owns his own LLC and then I own my own LLC so that is just how we figured that whole thing out.

That was the situation in 2010 where we had to figure out all of these business entity stuff, and that is the year when I got my bank account established under my LLC and I started doing things properly. That way we can easily separate our own income from our business income.

In 2009, we were just figuring out this tax situation. In 2010, we were just figuring out this business entity stuff. Then, the other thing about the way we were doing business online. If you do not know what I mean, a lot of what I do were this things called like membership courses.

I say to someone, "If you want to learn the skill, like how to run webinars or how to do videos, well you can join this site, and we are going to do it live. The next four weeks, we are going to meet for two hours every week, and we are going to show you this next milestone in how to run webinar or how to do a video, right?"

That was a big income earner. That was one of the reasons why I was so motivated to quit my day job because the month before I quit my job, I did more money in one month from the internet and take

home money, in fact, than from my day job in a whole entire years. I was like no brainer, I got 12 times the income in a third of the time during the day. That is 30 times the amount of income.

I am so going to quit my day job and I did. That was a huge year, but we started running out of gas because we were just like, every week we were doing one of these courses and stuff like that. In 2010, we went back and promoted our old courses, our course for product creation, for webinars, for sales letters.

Membership Site

We went back and promoted all these old courses that we had completed. The entire year of 2010, did not really create anything brand new. We put our old membership course, all kinds of that stuff. We just went back and said, "We have created all these classes and we just sold them over again."

The only tricky part of that was figuring out things like how did we manage it all. If we sell 300 copies this year of our \$1,000 membership cube course, how do we make sure that everyone who is in there is supposed to be in there, everyone who gets their videos and their software? We used this thing called a membership site.

Let me just send you over to membershipcube.com. In there, we can show you how to get an idea for your membership site, how to set it up, all the plugins, how to do the content, how to get to the marketing. It is all in there, membershipcube.com.

I have [a whole podcast episode on membership sites](#). The idea with membership sites that most people mess up is that a membership site does not have to be a site where someone pays you over and over again. It can be a site where someone pays you one time, or they pay you 10 times. Then, all the payments are done.

With a membership site, more often than not we use it to manage the people who pay from us and to manage their downloads. If we make it up to either version, updated videos, they are making all go in there. But, it was good, in 2010, a lot of money for not that much work, but the problem was, all these things called fixed-term membership sites.

Someone joins one of our courses, they have eight months to pay it off. But, we had this problem where we pretty much maxed out our list. All the traffic, all the people on our subscriber list who are going to see [Membership Cube](#), had bought. We had all these income coming in, we are looking eight months on road saying, "We will jump off a cliff. In eight months, our income is going to go down on nothing. What do we do?"

We kept trying different things and we set them on this thing called software, right? I mean, like Microsoft Word software. Your iPhone runs on software. We created a plugin called [Backup Creator](#), as a way to bring the list back from the dead once all these payments had stopped.

We wanted to build this huge list and then get them to buy our high ticket courses, but we did it using this plugin called backup creator. I just get flack from two kinds of people. People who hate high ticket stuff and other marketers who hate low ticket stuff. I think you should have both.

You should sell a product. You should have a course that costs a thousand dollars or more. And, you should have a product, preferably software that is in the \$7 to \$47 rates.

[Backup Creator](#) is a \$7 WordPress plugin that you install on your WordPress blog or membership site, click a button and now your membership site has been backed up.

The reason we did that was a strategic reason where we wanted to build a list of buyers. We wanted people to buy and use our backup creator plugin so that they would get on our list and buy other things. I think we sold 1,000 copies in 11 hours and a total of 2,000 copies in 24 hours. I mean, this was a time when I was just selling a few hundred copies. This was thousands of copies of this thing.

At the time of this writing, Backup Creator is running on 66,000 sites and I hope that by the time you listen to this, it will be well over 100,000 sites, maybe a millions sites, who knows. But, backup creator is our biggest product probably as far as the number of users and number of sites is on.

We are ahead of the game there because we had the membership site, right? Not just a download page. Normally, a download page is where someone sees a sales letter, they pay you money and they go to like thanks123.html, right? Then that is pretty much it. It is like "Thanks gentlemen, I just hope you got a copy, see you later."

With a membership site, they can go back in and grab the latest version which was so important because now we are dealing with thousands of customers then you need them to be able to get in there without a lot of hassle. I mean, if you figure you are even 1% or 5% had some issue, we would not be able to manage all the people trying to find the latest and greatest version.

Every now and then if I upload the wrong version or hit the wrong button, we hear about it within 5 minutes and then it is fixed instantly. We have a lot of users of this plugin. With the membership site, we were able to manage those, but we were not able to manage those people who have questions, wanted certain thing, certain way on their server, and we just manage with emails, we just could not do it.

Support Desk

Honestly, I check emails a few times a week and I do not reply to most emails, if I do, it takes me a while. To do this, to do with all these new customer support, we could not do it. We did in 2011, set up this thing called support desk or help desk.

The most mainstream help desk is zendesk.com. The thing about the support desk is, first of all, you can give people a special email address to email you and they will go right there and then make a new ticket in that. Basically, someone can have a question, it goes and creates a ticket, then you can reply to them, then you could easily see a history of what you said.

If they say, I never got a reply. You can say, "No, here is the URL you will reply to." Now, the other added bonus is if you ever need to take on more customer support people or remove yourself from the equation, then you can just add a user to this ticket system.

People keep emailing in the same area, but someone new responds to them. I did not get this at first until one of my friends, Tracy Childers who created a Wishlist Member and FLV Producer, told me about one of his products. He said, "I have not locked in to that support desk in over two years." I mean, now it has been like 5 or 6 years probably.

How cool is that? It is a totally hands-free business by having a membership site and a support desk. As we are winding all of these down, I want to talk about one final piece of the puzzle which is this thing called partial outsourcing. There are things in your business where you are best one to do them, but there are a lot of things you do not want to do. There might be technical things or certain things with traffic.

But then, the people fall into the trap of going on a hiring spree, right? "I got to have someone to answer email, someone else to answer the phones, someone else to hold the video camera for the new videos." They hire this whole huge staff, they get office space and all these crazy things. Then they spend all their money and next thing they know they have to fire people.

Instead of all that craziness, the number one thing I would outsource, if we are going by the 80/20 rule is content. Not just any content but I would outsource transcription. Even this podcast right now is going to be transcribed, believe it or not.

Whenever you have something to write, and I mean for most of us, I think writing is our bottleneck, right? We want to make blog post, articles, book content, reports, things like that and typing - even if you are a fast typist like me, it just take too lame long and you get writer's block.

But do you ever get speaking block? Probably not. We have a course called "makeaproduct.com" and we can show you, for example, how to create a book in one hour, to create a blog post or an article in three minutes. If you want to have a 100 pieces of content, that means a 100 articles or blog post, you can do that in one single day and it is all by using a system, and it is all by using partial outsourcing.

I like to speak out the thing I am going to have typed out, I just speak it out the way I would normally talk, I get someone to type it up. I hire a second person sometimes, not always, but sometimes, a second person to edit things. For example, if it is going in a printed book, I like to just have the grammar, the language is edited so it sounds more written and not spoken, and then that is it.

I know that if you are listening to today's podcast, you are thinking about how do they know completely, replacing myself and then completely ruining myself in the equation. I think the better thing to do is leverage yourself, so that you are the decision maker, you are the voice, you are the vision behind your company, but you do these things, and you set things up, and you work smarter, not harder. You use the income machine system to set up your opt-in page, followup sequence, blogs, sales letter, and traffic.

You use [LegalZoom](#) to get your LLC and your corporate structure set up so you can write certain things off. You set up a bank account under that LLC. You have a support test such as [Zendesk](#) so that you can easily take in customer request.

You have a membership site. Now in membershipcube, we give you a free copy of wish list members. That way, you can manage downloads and whether you are charging monthly forever, fixed number of payments, one-time or even free, you could have a way to manage those people. Then, you partially outsource the things that are not fun such as writing things out.

That is all for me. I wanted to give you a quick normal length episode this time at the Robert Plank Show. That was episode 22, "How to set up a legitimate online business including an LLC, support desk and membership site."

I know this was not the most exciting topic but this is something that everyone needs to know and I know that for me at first, I always try to stay away from the financial accounting business stuff, but you got to know this. You have to because if you put all your trust in someone else, you will eventually going to get screwed over.

It is okay to outsource things and stuff like that but you need to be aware of what is going on in your own company and I hope that today's session helped you. Let me know what you think. Go to [RobertPlankShow.com](#), click that like button, I will mention on our future episode, give me your feedback, give me your comment, give me ideas for future episodes.

If you are happy to be listening to this on iTunes, give us a 5-star review. If you listen to this on my blog, RobertPlank.com, give us a comment. Join us next time for episode 23, [How to Become A Published Author Using Kindle And CreateSpace](#).