



Ray Edwards Show, Episode 390

Let's Keep It Legal

- Speaker 1: [00:01](#) This is the Ray Edwards show, episode 390 let's keep it legal.
- Speaker 2: [00:09](#) The Ray Edward Show. This is the podcast for prosperity with purpose.
- Speaker 1: [00:18](#) A student was on the phone with me this past weekend asked me this question. She said, there are so many legal requirements to starting an online business. Is it even worth the effort? She seemed overwhelmed and I hear this kind of thing a lot and when you start thinking about all the legal requirements that actually are imposed upon us as business people, it does seem kind of overwhelming. So I decided to get an attorney and actual attorney to answer this question for us. Not just any attorney. You're going to love this guy. He's very different and he really understands our business. And today we're going to talk about why businesses need to get their agreements in writing, why businesses need to have a strategy for their legal stuff, the mistakes that businesses can make that sync their brands or businesses and illegal mistakes businesses make with social media.
- Speaker 1: [01:06](#) All that and more is coming up next. Are you maybe just a wee bit curious about how I created \$1 million writing business without being famous and without having a New York Times bestseller and would you be interested in knowing how you could duplicate what I did only faster and avoiding the big mistakes I made? Well, needless to say, I've learned a few things about running a profitable writing business over the years and I would love to share some secrets with you about what I've learned that you can put to use in your business. That's why I'm hosting a free masterclass called the three simple secrets to success as a big money writer. During this class, I'll teach you the right way to get your profitable copyrighting business started, how to avoid some of the biggest pitfalls and succeed faster than I did. Even if nobody knows who you are, you can register for the class for free by going to [inaudible] dot com slash three secrets.

- Speaker 1: [02:17](#) That's Ray edwards.com/three secrets. See you on the masterclass now. Simple hacks that make live cheaper, easier, and faster. Raise tip of the week. My tip of the week this week is not an APP. Believe it or not, it's not an APP. It's not a website. It's a soda stream. Now, I had a soda stream given to me in a way to do the longest time to actually start using a soda stream. So I have to give credit to Jody Mayberry, who's the person who knew I would love this. Jodi, thank you. You knew I would love it. And you are right. What is the Soda Stream? You can pick these up at any retail store like target or Walmart or wherever. They're inexpensive and they're way to make your own
- Speaker 3: [03:00](#) fizzy water with no sugar, no additives, just sparkling water instead of buying bottled water. And the thing is, I was buying cases of Pellegrino cases in plastic bottles. So I was a big contributor to the plastic problem that is clogging up our oceans and killing our wildlife and polluting our planet. So now I'm no longer a polluter. I'm part of the solution because I use soda stream to make my own sparkling water. And if you don't like flavorless water, I actually do. But if you don't, they have different flavors you can use to make it tastes like lemonade or tea or whatever and it's a better alternative than soda cause there's no sugar in it. So check out a soda stream today. You can get them at target at Walmart, probably get them on Amazon. You'll thank me for this. Trust me, Soda Stream because you need purity and your stream. Wait, that sounds
- Speaker 4: [03:52](#) Ben, does anyone want to live a life that is long and prosperous? Spiritual foundations. Okay. For sure.
- Speaker 3: [03:59](#) Spiritual foundations. This week I want to talk about praying for your business. I know quite a few believers, Christians who've been taught that it's selfish to ask God for anything in terms of our business, but I just can't find that in the Bible. He does say not to worry that he knows what we need though he should seek his kingdom and his will first and trust that he'll provide for us. He does say that what it does not say is that it's wrong to come to him about the needs we do have. In fact. First Peter Five seven says, give all your worries and cares to God for he cares about you. Yes, he knows our needs already, but he always welcomes our prayers about those needs. It's important for us to realize that worry is not prayer. It's cause you're worried about something doesn't mean you're praying about it and praying is not worry.
- Speaker 3: [04:45](#) You can't get those things confused. I think of worry as this meditating and having faith in the wrong thing. It's in prayer that we often hear from God about how he plans to provide for those needs that we do have. It's often in

the midst of prayer that we get clarity about our situation and we can see God's clear direction for our business and for our life. So don't be bashful or shy about this. Take your needs list to God in prayer today and ask him to open your eyes to his plans for your business and for your life. If you want to build your face and be sure you give God the credit for what he actually does, then start a prayer journal and jot down the needs and the requests you make of God and the situations that you pray to him for solutions for and then look back over your list every now and then and see which ones have been answered. You'll be surprised at how often he does answer very directly and very clearly you'll be blown away. In fact, I'm pretty sure of that and now on with our share

- Speaker 4: [05:41](#) and now our feature presentation.
- Speaker 3: [05:45](#) Bobby clink is a lawyer, but he's not your typical lawyer. Sure. He went to Harvard law school, but he's a full fledged online entrepreneur just like you and me and his area of expertise is the law. The good is
- Speaker 1: [05:58](#) he doesn't actually talk like or sound like most lawyers. He's actually fun to talk to. He tells funny stories, he makes fun of lawyers. He uses wacky photos and and he writes some of the best marketing emails I've seen anybody online, right? Period. He's even been known to use the poop Emoji every now and then. It's not that he doesn't take the legal stuff seriously. He really does. But he figures having fun with it is a way to make it less overwhelming. Like my student was expressing earlier that I told you about, she was overwhelmed and sometimes I'm overwhelmed by this stuff and it's always good to have somebody who knows their stuff when it comes to the legalities, who's also willing to have some fun with it. So let's get on with our interview with Bobby clink.
- Speaker 3: [06:37](#) I love attorneys. I love my attorney. I love attorneys who know what they're doing. And when I found you online, I was like, oh, finally somebody who understands this business. So thank you for being who you are, Bobby.
- Speaker 5: [06:48](#) Well, thank you. I appreciate it. Thank you for being who you are. Uh, your book is, is actually one of the first, it was my intro to copywriting and now I love it and I devoured everything I could find about copywriting. So I appreciate it.
- Speaker 3: [06:59](#) Really you, you are a very good copywriter.
- Speaker 5: [07:02](#) Well, thank you. I appreciate it. I work on it, I've started to really, uh, you know, think, I know that's a skill

everybody needs. Every online business has to have a great copywriter and I love doing it. And so one of those things, once I found it, uh, fell in love with it.

Speaker 3: [07:15](#) Yeah. I think everybody should be their own copyright or at least in the beginning because you need to understand how it works and what's good copy and what's not. And then you have the, now I'm going to jump right into shoptalk. So you're using Kartra as your system. I am. And how do you, how do, how do you like that?

Speaker 5: [07:31](#) So I enjoy Kartra there were some difficulties with it upfront at the beginning. Their customer support was not great. So I actually at one point thought about moving over to Kajabi, but they, they've solved the customer support issue and now it really is becoming an all in one. Like, I haven't done this yet, but now they have a scheduling apps. You don't need calendar, your Calendly or acuity or schedule once. It's the closest thing I've come to a true all in one.

Speaker 3: [07:55](#) Well, I love you do a good job of using it. I mean, I've seen other people use it and they don't use it to its fullest potential. But you seem to push the boundaries of that. And I like that. And it's made it, you're the only person who uses Kartra has made me think, maybe I should look at this again cause I use Kajabi and now we've lost most of the audience. Cause they're like, what are these words? Kartra Kajabi,

Speaker 5: [08:13](#) if it makes you feel better, I'm jealous about people on Kajabi because I see like the Kajabi hero stuff and I feel left out. I'm like, I want, I want the, the fleece or whatever it is they give you when you have, you know, make certain amounts of money. I said tribal marketing at work. Exactly.

Speaker 3: [08:27](#) They're good at that. So let's, let's back up a step and talk about, um, how did you go from being, I mean, you're still a practicing attorney, right?

Speaker 5: [08:35](#) I am, but I'm trying to stop. I, I'm, I'm, I'm literally have a couple of things that I'm trying to wrap up.

Speaker 3: [08:40](#) Does sound like a smoker. I'm trying to stop.

Speaker 5: [08:43](#) Well, I mean these are like, I have two cases like, so I used to be litigated, like stand up in court. Oh, her sending me the serious stuff. Yeah. Yeah. And, and the thing is, I didn't actually, now that I look back at it, it was the worst possible career choice for me. Not, not being a lawyer, but that kind of lawyer because I don't like arguing with people. I don't like fighting about stuff for no reason. And that's what I found myself doing. Um, I

have to like, when I call them Zombie cases, like I thought they were resolved a long time ago, but like ancillary stuff has come up, they just won't die. Yeah. And I feel obligations to the clients because for them to go hire another attorney didn't have to pay this attorney to learn all this stuff that's already up in my head.

Speaker 5: [09:21](#)

And so I don't want to do that. So I've got those two things I'm trying to get done. Uh, and then other than that, you know, I'm really trying to move to, to be almost exclusively in the online space. What led you into the online space to begin with? Well, so what led me into it ironically, um, was so I started my law firm unexpectedly. Um, I was at a different law firm with a couple of guys and I had made one of the classic entrepreneurial mistakes, um, which this kind of will help people understand why I'm passionate about what I do now. I jumped into this firm without a written agreement and they treated me fairly and for four years everything went great with swimmingly. Then my wife got pregnant and I said, hey guys, we need to formalize this. I need to actually get, become a true partner because it was two guys.

Speaker 5: [10:11](#)

I had all the downside risks, no guaranteed upside and we couldn't work out a deal. And again, I don't blame them at the time it was, you know, stupidity on all of our parts at the beginning. And so I found myself with a three month old baby having to start my own law firm and never planned to do that. Um, didn't know what to do. And so I was struggling. And so I am not naturally someone who goes out and networks a lot. And so I was trying to figure out, well how can a network without networking? And so I found online marketing, I found the concept of inbound marketing. I think actually I'm, I'm hub that hubspot certified as an inbound marketer, which knows a funny fact for a lawyer, but I did it literally just as a way to find clients for my law practice at first.

Speaker 5: [10:56](#)

Um, I have a couple of books you can buy on Amazon, which one of them I think I even give away as a lead magnet. I don't even remember. Um, but that was my entry point. But the real transition came when a life coach I was working with asked me, do you really like what you do? And I had to say no. And that's when she pushed me to pivot to actually doing what I'm doing now, which is serving online entrepreneurs in the online space. Was that hard to admit after all of that school and the investment you've made him becoming an attorney? It was. And it was the first time. I mean, I guess I had talked about it with my wife and she had a sense that I didn't really like what I was doing. The, you know, I loved the law. Let me be clear about that. Um, I love a lot of the stuff about the law, but the actual nuts and bolts of

being a lawyer don't fit me. And especially what I was doing and Oh, it was the first time I think I'd vocalized it to anyone else and she gave me permission.

- Speaker 3: [11:54](#) But then the thing is, she asked me the next question, which my wife never had, which is okay, what are we gonna do about it now that you're not happy? And yeah, it was tough at that point. I'd been a practicing lawyer doing what I was doing for about 15 years. I was good at it. I won more than I lost often in situations where it was me against 10 lawyers from a big law firm. But I just didn't have the passion for it. It sounded like a John Grisham novel, me against 15 lawyers from a big law firm.
- Speaker 5: [12:21](#) W A and again that it's almost cliché. I mean, but I was doing a very arcane, I was doing like patent litigation was a lot of what I was doing and it was fine, but I just didn't, I mean I would find myself fighting people because copies of documents that they gave me were illegible, not the underlying document. But when they copied it, they kind of like smeared it and I'd have to fight with them for them to give me allegedly
- Speaker 3: [12:46](#) cos it's so dirty.
- Speaker 5: [12:48](#) Yeah. Oh. And I don't think they did it on purpose, but then they didn't want to pay and do and so just that kind of stuff. It, it was a problem.
- Speaker 3: [12:56](#) So a lot of courage. It takes a lot of courage though too, to be 15 years into it, be good at it, be succeeding at it by all external measures. And then to be able to say, I don't want to do this anymore. That takes a lot of courage.
- Speaker 5: [13:07](#) Yeah. And it did. And you know, I, I put my foot in, so our toes in the water to start with, I started appearing on podcasts. Um, and then I, uh, I created an online course and made all the mistakes that online entrepreneurs make, create a course without getting input from people without really building a following beforehand. And so I paid like \$10,000 on Facebook ads thinking this is going to solve the problem. I sold one and she asked for a refund on day 29. Oh my gosh. So, you know, I, I've made the mistakes that a lot of entrepreneurs make. Um, but the funny thing is I sit here now and I work probably as hard as I did as a lawyer, but I love it. I mean, I get up, you know, I hear that all these people talking about morning routine, you shouldn't look at your email. You shouldn't look at Facebook. You should look at that stuff until whatever you've done everything else for three or four hours. My problem is I love actually doing it.

- Speaker 3: [14:03](#) Can't wait to dig in, see what's happening.
- Speaker 5: [14:06](#) Right. I just, I, you know, I like to see what I've gotten an email people back and go on to Facebook and talk with people. Oh, I've made a rule. I don't respond to an email or doing anything on Facebook until I've had my first cup of coffee. I've made that mistake. I'm kind of cranky sometimes.
- Speaker 3: [14:21](#) No, that's a good rule. That's a good rule. Yeah. You know, I've got, it's interesting, I know a number of attorneys who've been through my copywriting program who've actually ended up leaving the law to do online marketing and copyright. Sarah Anna Powers, somebody may have heard of. Yes. Yep.
- Speaker 5: [14:34](#) We're in the same mastermind. So you aren't in the show. Yeah. So, um, yeah, I, you know, I love her and you know, she's, she's funny and she is the life of, anytime you're around her, she just brings you up and makes you happy.
- Speaker 3: [14:48](#) Yeah. That's for sure. It's for the first time I heard of you when the GDPR thing came out.
- Speaker 5: [14:53](#) Yup. That's what a lot of people heard about me. That was kind of like big coming out party.
- Speaker 3: [14:57](#) It was a big splash for you. So, um, I had somebody in my copywriting business class asked me just this week, does that still work? Does that still, is that still a thing?
- Speaker 5: [15:08](#) It is still a thing. Uh, it still applies, you know, so the Gdpr, um,
- Speaker 3: [15:14](#) we should explain what that is to people who don't know.
- Speaker 5: [15:16](#) Yeah. So it's the general data protection regulation. It was, um, or it is, I should say it's a regulation from the European Union that it actually passed, I don't remember say four or five years ago, but it went into effect last year in May. And the funny thing was, in spite of the fact that he'd been on the books for a few years, nobody was paying attention to it and a lot of the software companies weren't paying attention to it, et cetera. And it affects how we collect email addresses, how we do anything we do, where we collect personal information. So everything we do is online marketers basically is affected. And what happened was I went, I started like attending webinars because like, oh, I got to figure this out for my own business. And I was like, let me find something where I can refer people and I would go to these things.
- Speaker 5: [15:59](#) And as a lawyer I was confused. I was like, how in the world is anyone else can understand it or you'd go to ones

that were more geared to the googles of the world. They was talking about the big high tech companies, not us as online entrepreneurs. So I decided to put together a training, did a three part training for free. Um, that decision to make it free was part of what catapulted me as well because Amy Porterfield heard about it and said, wait, you're giving this away? I said, yeah. She said, well let me, let me look into it. And she looked at it and then she invited me to come on to her podcast to help her tribe, uh, talk about it, which luckily enough, I think that episode on her show went live. I on a Monday, I think, cause it was a bonus episode in my first launched. It was a true successful launch. The cart opened on Tuesday, so kind of a nice little Tommy and it wasn't planned. It just happened that way.

Speaker 3: [16:49](#) That's how I found you by the way, was that podcast.

Speaker 5: [16:51](#) Yeah. Yeah. Well that's how a lot of people found me because, um, you know, obviously Amy has a very big, um, a very big platform and so a lot of people found me and I know a lot of people that are on my list and a lot of people who buy from me today, I know our people who found me a year ago. And so, um, so that's the history of it. But yes, the, the, the advice I gave then I think still applies. I mean, you have to basically figure out a waiting, get consent from anyone who's in the European Union to be on, on your email list, not just a download, a Freebie, but you have to get the extra layer them saying, yes, I want to receive your marketing emails. If you're in the EU or if the person coming on your list is in the EU, you need that.

Speaker 5: [17:36](#) Um, if you're like, you know, you'd be right where here in the U s we don't have to do that for people in the US or Canada or anywhere else, but we have to have a system to get that kind of consent from people in the EU. Now I also to caution the GDPR police are not coming for you and me. They're busy with Google, with Facebook, with the big people who are, have bigger issues with data privacy. But you know, look, we should try and do things right. And someone could complain an EU citizen that that grabs a Freebie from you and didn't want to get your emails and you started mailing, they could complain, they could raise trouble for you. So we just need to be careful that we're doing it right.

Speaker 3: [18:14](#) Yeah. And for sure. And you know, it's not a big deal until it is a big deal. Somebody gets a burr under their saddle and decides you're going to be the person they're going to make an example of and they start, they make it their hobby to persecute you.

- Speaker 5: [18:25](#) Yeah, it's better than I say the legal stuff is largely, it's about just avoiding people like me. You just want to stay away from lawyers and I mean let's be honest, I don't like hanging out with lawyers so I wouldn't expect you would like hang out with lawyers and it really is a place where you know, just a little bit of prevention and doing it right at the front end avoids a whole lot of potential headaches on the back end.
- Speaker 3: [18:46](#) So forgive me for not knowing this as your Gdpr kit still available. Can people still get that?
- Speaker 5: [18:51](#) It is, yeah. You can just go to your online genius.com forward slash Gdpr
- Speaker 3: [18:56](#) and that I really recommend you do that if you haven't done it because it is a thing and don't count on your email service provider to do all the work for you cause they can't. They do some stuff that helps, but you need to take care of it on your end as an entrepreneur. So, and this is the best way I looked around, I shopped you after I've heard Amy's podcast is like, was there anybody else doing this? And there wasn't. And I really like, I like your approach, your attitude and I love the fact that you understand this business. That's the key thing. I've got a, let me see how I want to tackle this. So, um, I advise a lot of people who are starting their businesses or they have started them already and they haven't done everything correctly. Like they don't have terms of service agreements on their websites and things like that. And I tell them, you need to get this stuff done. And so they'll go copy somebody else's. I'm like, no, no, no, no, no, no, no, no, no. You need to have an attorney start with an attorney, a local attorney that you know that you can look in the eyes, but then they probably don't know the Internet marketing stuff. So you need to have somebody who knows that stuff. And I was referring to you,
- Speaker 5: [19:47](#) I appreciate that.
- Speaker 3: [19:48](#) I take, I take your stuff to my local attorney and I said, can you look this over and make sure it works in our state? And he knows how to do that. And he said, he told me, he said, I really appreciate that you got somebody who knows all about this online stuff. This makes my job helping you a lot easier. And I think that's the ideal solution. And people want to cheap out. They want to go to legal zoom or wherever and just not pay an attorney at all. I think that's a huge mistake.
- Speaker 5: [20:10](#) Yeah. And look, I, what you talk about I think is the ideal solution. And I love that you talked about it this way because I think it's valuable for people to hear that even, you know, big name entrepreneurs start with templates. I

mean that's what we all do. I mean I start with templates for other stuff, but honestly, if I'm going to create a contract for myself, you know what I'm going to do, I'm going to go to my templates and start anyway. So that's where we all start. The mistake though that people make. Like I had to laugh when you started talking about copying because somebody approached me during the Gdpr and I think they just want a privacy policies. That is one policy you're legally required to have. All the other stuff is good. I want you to have it, I want you to have contracts with people.

- Speaker 5: [20:49](#) But the privacy policy is legally required by the GDPR and there's a California statute that applies to and so you've just got to have one in place. And he came to me and just wanted me to do that for him. And I said, fine. I said, well you want me to look at your terms of service cause he had one and he said sure. And I looked at it for the life of me, I don't know where he got it from. This guy was a home builder. And so again, not my normal niche, but he just wanted to pay someone to deal with it. And like I said, reading is terms of service and it like said like, I don't remember his Dutch law or something applied. I was like, well that's kind of weird. And then I start reading and it's referring to Spotify. Someone at some point during his business had gone to Spotify, copied the terms of service from Spotify and put it on his website.
- Speaker 3: [21:29](#) Seems like their business would be a little different from his.
- Speaker 5: [21:32](#) Yeah, just a little bit. So I had to lot of people do that and um, yeah that's not the way to go. But also you've got to find someone who knows your business and this is true about everything. I tell people this like don't come to me. Like if you're like a drop shipper, I'm not your guy because I don't really know that business. And so I don't know your concerns or more importantly I try to tell my dad, don't come to me with like trusts and estates law cause I don't know anything about that. I can Google it. But that's about all I know about that area of law. But I've seen people who've, who've gotten in hot water because they go to some local lawyer to create like a terms of service for their website and the person doesn't know anything. They pay him thousands of dollars and they show me what he produced and I'm like, I don't know what this is, but there's not a term to service. And so you need to find a lawyer who knows your business but also spins their time doing whatever it is that you want them to do for you large. And then you know, you can go to your local lawyer and having them review to make sure the state legal issues are right.

- Speaker 3: [22:31](#) Yeah, I think I just got lucky with the guy I found locally because when I first went to him he said, look, I don't really, I don't really understand your business. So that's good. We need to find somebody who does. Then I can look at it and make sure it works for us here. But, um, so, so I ended up looking for you. And then I, I tell people, like, I got a lot of people in my class who are just starting their business and they're like, well, do I need to be a sole proprietor or an LLC or a c Corp or s corp or what, what do I do? And I always tell them the same thing. Look, I'm not a lawyer, so don't ask me. I'll tell you what I did. But if you talk to an attorney and then you need, this is what I tell them. Have an attorney set it up for you because I did it through legal zoom and they're good for some things I think, but I had to pay an attorney come in and clean up the mess that I made, which it would've been a lot less expensive if I had somebody to do it for me the first time around.
- Speaker 5: [23:19](#) Yeah, it, it, and, and that's one where it depends on where you are. Um, but I do like to tell people, and that's the question I hear from people. Um, and let me just go ahead and I'll just go, again, I'm not giving you legal advice, but c Corp is never going to be the answer basically for any of us in the online space. Um, and for your students, the choice realistically is going to be between an LLC and then an LLC with an s tax election at the federal level, a sole proprietor. Just so you understand, if you're a sole proprietor, that's what you are. If you do nothing, if you just don't do anything, you were called a sole proprietor. And that means if something happens in your business, if you sign a contract on behalf of your business and you don't follow through, they can sue you.
- Speaker 5: [24:02](#) They can get your hat, maybe not your house, but they can get your car then get all your personal property. Now, for copywriters where you know, if you are just a service provider yourself, creating an LLC may not protect you because if you mess something up, maybe they can sue you. But I'm going to be honest with you, I don't know how someone could sue you as, uh, a copywriter. For the work you do. It's a bigger issue for me. Like as a lawyer I can get sued for malpractice. I've got an LLC set up for my business, but they can still sue me because I'm the one who messed it up. But as soon as you have anyone else working for a contractor, um, someone doing your social media management, any of that stuff, if you have an LLC and they mess something up again, hopefully it's not going to be a big problem. But if they do, all that someone can do is come after the assets of the company. They can't come after you personally.

- Speaker 3: [24:52](#) So if I've got a, if I've got a VA, I've got an LLC, it's just me and a Va. My VA does my social media stuff, then I've, I have an increased opportunity to have a problem.
- Speaker 5: [25:05](#) Uh, well so once you have a VA you have an increased potential problem cause someone else is doing stuff on you. And let me give you an example. I hired an outside social media company at some point and I had a friend like send me like an email because he saw like a post that they had done with an image and he said, hey, we ran into this problem. That image actually you can't use without giving attribution, have him take it down. So I did. Right. And so that's a copyright infringement because they didn't give the attributes etc. But they did, or on behalf of my company so someone could sue my company for that, but they can't sue Bobby clink personally cause I didn't do it. And so that's the protection and LLC gives you, if however, I didn't have an LLC, they could come after Bobby clicks, personal assets even for that mistake made by the person I hired because I'm the sole proprietor.
- Speaker 5: [25:55](#) It's just me creating an LLC basically creates another person in the eyes of the law. And it's that companies that's liable. Again, hopefully this stuff never matters because hopefully you're never going to like walk away from Your Business. But let me give you an example. I signed the lease for all of my, um, office space that I use for my law firm on behalf of the law firm. So if it went belly up, I'm just like a three year lease when I sign it. If the law firm went belly up, I could've walked the lease and all they could do is come after the assets of the law firm, which I would only walk the lease if I had no money. So they would have nothing. They couldn't have come after me. Why can't they get my savings or anything like that. So that's the kind of protection having an LLC we'll, we'll give to you.
- Speaker 3: [26:38](#) And then if you do the, I know we're not giving legal advice, but there is possibly a tax to for me to answer like an LLC with the s corp election,
- Speaker 5: [26:48](#) there is, um, so an s corp, well basically the way it breaks down, um, an LLC, all of your income, all your expenses just get reported on your personal tax return. So from a tax perspective, it's identical to a sole proprietorship. I always forget if it's schedule a or schedule C, but just here's what I made, here are my costs for my business. And you don't do a separate return for the business, just your own, uh, also when you pay yourself. So you just pay yourself by writing yourself a check. It's called the disbursement. You don't go to have to go through payroll, you don't do anything of any of that stuff, but you were responsible for 100% of the income.

So profit, uh, profits, revenue after the expenses, a the federal income tax, if you have state income tax, your state income tax, and then also the self employment tax.

Speaker 5: [27:37](#)

So that's social security, medicare, all the FICA stuff here in the u s if on the other hand you make an s corp election, you pay yourself a reasonable salary through payroll. So you have to do that and then follow through on all that. I use quickbooks to do all that. So they, they actually do all of my payroll, do all my deposits, do all my filings, but I have to have someone do that or I would have to do it myself. Um, and then I on that, that I'm paying myself as a salary. I pay the exact same taxes as I would as an LLC, but then any profit, I don't have to pay the FICA portion. I only have to pay my income tax portion. So this is where I tell people don't even go to a lawyer on that and go to a CPA quite honestly, to make that decision, yes or no really. And your finances can look and decide does it make sense or not? And we have an ESCORP, you have to file a tax return on behalf of the entity. So there's an extra cost there. So early on you're not going to make the escort election almost always at some point it probably will make sense later on.

Speaker 3: [28:40](#)

Yup. And you know, it's total, I'm smiling because I did exactly what you just described. I have a local attorney, I have a CPA who's local as well. And I talked to those two guys and as a three party discussion, we figure out what's the best course of action is going to be. Then, I mean, honestly, I've been going to like your template library, which I bought. I want people to understand you didn't give it to me. I actually paid for it. Yeah. And it's well worth the investment in these, these things that I'm talking about. A lot of new online business people, they don't want to spend the money on it, which floors me. They're like, they'll spend \$10,000 on courses, but they won't spend \$1,500 to get their entity set up. Right. And I'm like, are you crazy? This is the best investment you could make.

Speaker 5: [29:30](#)

Yeah. But look right, you get it. I mean, you get the point that what I do is not something, it's not sexy and it's not going to make you money. But I agree with you. This stuff is important. You need to deal with it. You've got to address it. Um, and, and if it were like a \$10,000 cost, I get it. And I mean, that's, you know, let's make sure you're gonna make a little bit of money before you do that. Um, but no, I agree. I mean a lot of people do that, but a lot of people had been sold on this notion, right? That that, that you get a laptop and you get an ATM and so, you know, the reality is there's going to be costs and some of the costs or the legal stuff, some of the costs are, like we were talking about earlier, Kartra in Kajabi and you're going to pay for the year your technology,

they're just going to be costs to running a business. But serious business people understand that and they understand it's an investment and not a cost.

Speaker 3: [30:19](#) Yeah. I think what we've run into so often is people who have bought into that, my laptop is my ATM thing and they get upset. Like I have to buy Carter or Kajabi, I have to pay for hosting. And I'm always like, yes, you have a business. There are costs to running a business. This is how it works. If you don't like it, you should maybe have a job.

Speaker 5: [30:39](#) Yeah. Well and it's, look, I, there's a, there's a lot of things that, that are happening that I see that are kind of coming from the similar thing. It's that, and then I see a lot of people, and this is just a pet peeve of mine who dropped like two or \$3,000 on a course about how to create a particular kind of product, but literally don't even have a website or a list or any of that stuff. I'm like, cart before the horse, let's, let's work on, you know, figuring out the other stuff first. Yeah, that's awesome.

Speaker 3: [31:03](#) That's like farming. You know, you gotta you got to till the soil and plant the seed and cultivating before you have the harvest. You can't just go in and like it's harvest time. I haven't anything else. But now I'm going to reap the rewards of my not working. Yup.

Speaker 5: [31:15](#) And you know, hopefully you can avoid the things like, like I made lots of mistakes. Hopefully you can avoid a lot of those and learn from people how to avoid those mistakes. But you know, I think all of us who are in this space who stuck around for a while, we have some battle scars and things we did wrong. Oh yeah, that's going to happen. And you know, you're going to have to deal with that. But that's again, like you said, I mean that's what entrepreneurs do.

Speaker 3: [31:37](#) Yeah. And part of the, part of the value that I bring to people's, showing them my scars and saying this is how I got this one. Don't do what I did here.

Speaker 5: [31:46](#) I do the exact same thing. I mean, I tell people I'm an open book about things. Um, you know, my first, like on my podcast, one of the first episodes that really kind of hit an urban people really liked was when I did a rundown of that first successful launch I did like the day after Amy, I was on Amy Porterfield Shell and I talked about all the things I messed up. Uh, and then I did wrong and I should've done differently. And I do all that stuff because I know that's what a lot of people want to hear. And it makes it more relatable and hopefully they can avoid the mistakes that we've made.

- Speaker 6: [32:19](#) You're listening to the Ray Edward Show with our guests. Bobby clink. We'll be right back. Don't forget, we have a worksheet from today's episode. We turn the key ideas from this show into a worksheet that helps you turn these ideas into actions. Get Your Free worksheet@rayedwards.com forward slash three nine zero also, if you haven't done so yet, be sure you subscribe to the show. It's free and convenient and you'll never miss an episode for simple instructions about how to get subscribed. Go to Ray edwards.com forward slash subscribe.
- Speaker 3: [32:55](#) Let me take a step aside step and talk about, you mentioned some people don't have a website or an email list, so the minute you set up a website or an email lists or anything, any of the things that you need to build an online business, you've created situations where you need to have legal protections in place. What are the things we need to have on our website? Just like the basic stuff, we should have to protect us,
- Speaker 5: [33:19](#) right? So there are three policies. Some people combined two of them, but I, I like to keep them separate. There's three, there's the privacy policy, which I talked about before. That's legally required, not an option. Basically what that does is it tells people what information am I collecting, why am I collecting it? What am I doing with it? Who am I sharing with it with? And then now thanks to the Gdpr, it's, it's kind of like the Miranda warnings. We have to tell people about their rights, which is kind of funny to me that it's not the government's job, it's our job, but whatever. That's the law. So we have to tell them certain rights they have under GDPR. So that's your privacy policy. You got to have that. The other two documents, one is the terms of service, which I like to describe as kind of like the basic rules of the road for your website and your business.
- Speaker 5: [34:05](#) So it's going to say things like, a lot of it you don't have to say, but you say it anyway. Like, Hey, I own this stuff. You can't take it. You know, you can't use this stuff without my permission. But also if you're going to have like low dollar product that you're selling, you're probably not going to have a separate agreement that people agree to when they buy that, you know, low dollar product. So you'll do things like set out the refund policy, which is your background refund policy for anything. Uh, you can change that for individual courses or memberships, but you just set your background policy out and it's a lot of stuff like that. And then a lot of legal Gobbledygook, I'll be honest with you, I don't like reading it. I think my template on is like 13 or 14 pages in word.

- Speaker 5: [34:48](#) There's just a lot of stuff in there. But that's the basic rules of the road. And then the last document is your disclaimer. And your disclaimer is a couple of things. One, if you're someone like me who is a professional, even in my law firm, my disclaimer says, hey, nothing on his website is legal advice. It's information, it's education. So you're gonna do the same thing in your disclaimer, no matter what it is. And you're telling people, hey, you're responsible for your own actions. I'm just giving you information. You can't blame me because it goes wrong. You'll also put things in there about like if you have affiliate links that there's an affiliate with affiliate links, et Cetera, and just things like that. Then a lot more legal gobbledygook that says, you can't sue me. And even if you could sue me here, all the things you can't get from me.
- Speaker 5: [35:34](#) So those are the three policies you ask for your website. And people ask me, okay, well I created and what I do with them, you put on them on a random page on your website. Again, it'll normally be your website.com forward slash terms of service or privacy policy and then disclaim each one gets it's own page and then you have it in your footer navigation where you tell people, you know, if you want to read this stuff, you can read it. Then I have started, I didn't always do this, but now on all my new forms I'm creating and Kartra I have something. Anytime someone signs up for, um, one of my lists, I have a little line below the button that says that all treat their, um, information consistent with my privacy policy. And then that's hyperlink so they can go see my privacy policy. That's again, if you really want until you get people to check to accept that I'm not going to waste that time, I'm not going to put that friction there. Um, but I have just started putting it there so no one can say I didn't give them easy access to that information.
- Speaker 3: [36:36](#) Yeah. And I just want to emphasize, because I see so many people do this. I'm one of those nerds who I'll go to somebody's website and I'll actually read their terms of service or their disclaimer and I'm amazed at how many people do copy for somebody else's website and they don't even go through and make sure they've erased the evidence that they've copied. Like it'll have the other person's name on it. Yeah. And, uh, I'm always amused by that and I'll say, I usually send them an email and say, look, you might want to clean this up and maybe actually go pay somebody so you have the legal right to use this stuff. And I do it not to be, uh, uh, but, but to be, to, to be helpful cause I don't want people getting in trouble for something they may not realize is wrong. I mean, I don't know how they don't know what's wrong, but it's wrong to steal somebody else's.

- Speaker 5: [37:24](#) Well, but here's the thing, right? A lot of people don't. So a lot of people don't even realize like, I think you would get this. But like for example, some people would think, hey, if they bought my stuff that they could tell people. Yeah, you can copy my stuff. Well, no you can't. All right. Cause I mean that's very clear in my terms of service. You are getting a license to use this for your own business. But even like if you paid me to create it, um, as a lawyer in a one on one relationship, if we don't have like a, an express agreement here, I own the copyright. So it's still mine. So you as the person who's using it, I mean not by providing it to you, I'm giving you the right to use it, but you probably don't have the right to tell other people. Yeah, sure. You can copy it. Yeah, totally. And that's something people don't get.
- Speaker 3: [38:06](#) I actually have had people ask me, can I just copy your terms of service? And I always tell them no, I, I paid for one time use of that for my own website. You need to go pay for your own. Yup. Which is, I mean when you explain it to people, I think they get it. Yup. So I was talking to a student, I want to ask you this question. I was talking with a student in the last couple of weeks and she said she was freaked out by all this. She's like, there's so much, I mean with the, the entity and the terms of service and the disclaimers and the Gdpr, I just feel like I feel discouraged from actually even starting cause it seems like there's all these hurdles I have to jump over. Wow. How do you respond to something like that?
- Speaker 5: [38:48](#) Well, so, and I get that. Um, and so part of like when I was doing my, um, my ICA work, my, you know, really understanding my, my clients, one of the things I heard over and over, I don't even know what I don't know, but I just feel like it's overwhelming. So that was a consistent thing. Oh, I like to make it kind of simple and say, look, so we talked about the website, that's something that we all just need to deal with because we're online, right? So that's, that's a piece of our business we have to do. Setting up your entity again, that one, the good news is you do it once and you're done. You may tweak it from time to time, but realistically you just do it and you know you have to do it. And once you've done it, you're in good shape.
- Speaker 5: [39:29](#) And again, like I said, you need to make sure you do it right and talk with the lawyer because I've seen people set up an entity wrong or set up on any where they're supposed to pay themselves through payroll, but they haven't been doing that or you know, things like that. So make sure you don't make those mistakes, but once it's done, you're okay. Then really in the online space, there's a couple other things. Number one, just get in the practice of getting every agreement you have in writing.

If you have a relationship that's important to your business, just say, I need to write this down. We need to have a written agreement. Now, ideally it's one that's was drafted by a lawyer, has all the legal ease. Like word, I mean worst case, just write something down in plain English between you and the other person that sets out the, the central terms of the agreement.

- Speaker 5: [40:13](#) Because lawyers thrive in uncertainty. And if you have a written agreement that sets out, here's the, here's the service I'm going to provide, here's how you're going to pay me. Here's the refund policy, here's cancellation policy that's going to get you 90% of the way there. Again, I'm going to stress, I would rather you start with a template and go to a lawyer, but at least just start getting the practice of getting those things in writing. And in. The last thing is you need to get yourself at least a little bit of knowledge of the areas of law that we call intellectual property. It's basically copyrights, not your kind of copyrights, but copyrights, trademarks, trade secrets, uh, and then the right to publicity. And if you understand those things and have enough knowledge to that, you can just say, this may be an issue. I need to either research it or I need to go find a resource on it, you'll be in good shape. Uh, and so that's what I like to stress. If you think about those things, you'll be in good shape.
- Speaker 3: [41:12](#) If only there were a place I could go and get all that packaged up neatly.
- Speaker 5: [41:17](#) Yeah, I have a free resource. I mean literally I have a free training academy call, I'll be academy where I walked through a lot of this stuff. Um, it used to be part of a paid membership and then I kinda broke it up and now people only pay me to buy the templates, but I give all the training away for free. Um, because I think quite honestly you ought to be able to understand this stuff and it shouldn't be complicated. It shouldn't be hard. Um, so yeah, I set up, it's called the online genius academy. You go in there and I think there are 30 plus lessons that walked through a lot of this stuff. And you know, the big piece I think a lot of people really liked the most is the, the intellectual property section. Because it helps them understand copyright, trademark in those areas of law.
- Speaker 3: [41:56](#) Yeah, it's good stuff. So we'll uh, we'll link to that in the show notes, but just real quick, what's the URL people should go to?
- Speaker 5: [42:03](#) Yeah, so that one's easy. You just go to your online genius.com forward slash academy. Um, and you can get into that why I said that the academy is free. I just want people to have the training. And one other thing of, I can

say, right, the privacy policy, because legally required, I started giving that away for free. I don't charge people. That's now my primary lead magnet. I just say, here you go, at least get this up. So you're complying with the law.

- Speaker 3: [42:26](#) Dad is so cool. So I love, one of the things I love about your templates, just if I can give a vote of confidence for them is the, you have them in word and you have them with the sections you need to customize, highlighted. And then you have a video where you walk people through exactly what we need to change. And you even have suggestions like, well you might want to do it this way or you might want to remove this, this doesn't apply. I think that is so helpful. And it's like I've looked at different products that are maybe similar in some ways, but nobody does as thorough of a job and the key for people in our kinds of businesses, you are in our kind of business so you understand it.
- Speaker 5: [43:05](#) Yeah. Oh and I appreciate that. And my goal with those videos, so the videos have two purposes. One to help you understand how to customize the stuff that has to be customized. But also I try to explain in plain English what these big, ugly legal paragraphs mean. You can skip that if you want. Not a big deal, but I know a lot of people would like to know what this stuff means. And so just kind of explain it to you so that you'll understand what the stuff is. And my goal is make it simple, easy and easy to understand and easy to implement.
- Speaker 3: [43:34](#) Cool. So can I just share with you how much better do you made me feel at the beginning of this talk when you told me that you went into your deal with your law firm partners without a written agreement? Because
- Speaker 5: [43:44](#) yes,
- Speaker 3: [43:45](#) I've done the same thing and kicked myself later. I'm like, what was I thinking?
- Speaker 5: [43:48](#) Yeah, it is a, it is a mistake that so many people make. I hear so many people talk about it. Um, and, you know, look, so my story, uh, the, the sad news is, and I like to explain to people that, um, part of getting these agreements and writing, so this is kind of why I'm big on getting agreements in writing. Yes, it's important to protect you financially, et Cetera, but it's also about protecting relationships. So one of those two guys that was one of these partners, uh, with me flew through Hurricane Sandy, literally got on the last plane, like a 10 person plane from Florida to The Bahamas to come to my wedding. And that was, you know, you flew through this. I don't know about you. I'm not, I'm not about to jump on a, uh, a 10 person plane to fly through a hurricane.

- Speaker 5: [44:33](#) I guess at that point, a tropical storm to go to many people's weddings. No. Um, I've not talked to that guy since 2014 since we had a blow up when we're trying to work this deal out. Wow. And that's the kind of thing that happens. Um, so I just want to stress to people and people say, well they're my friends. That's when you need it the most. You don't want business to, to cause a problem with friendships and having a written agreement is the easiest way to do it. Cause if there's a question you just look back and say, what does the written agreement say? And you can answer the problem or answer the question.
- Speaker 3: [45:05](#) That is so true. And it's really about thinking through what might go wrong. Yup. In the future before it actually happens. I, I went into a partnership with a friend of mine a few years ago. We had some intellectual capital that we had created together and we formed a company together. And before I signed the deal, I was talking to my son who is wise beyond his years. And he said, you know, dad, I think this is a good, good arrangement, but you might want to think about what if someday he wants to have it all back to himself cause he originated the, the first idea that started this whole thing. Are you willing to hand it back to him at any point in the future? And he and my son said, I think you need to answer that question now before you sign the agreement. Yep. And um, so I, I did think through it and I decided, yeah, I'm willing to, we can settle for a fair amount.
- Speaker 3: [45:55](#) We know this in advance. And about a year later, uh, this guy developed cancer and he wanted to have the, the whole thing back so he could use it to kind of build a legacy for his family. And because we had thought through it ahead of time, I just was able to say, yeah, no problem. I'll send the paperwork will be done and every single be good. And it was, and unfortunately, I mean, the sad end of the story is a few months later he actually died. But I just think about we were good friends and so I was very sad to see him pass. But I think what would've wanted, I felt like if I hadn't walked through all that stuff ahead of time and we'd had a big blow up and then he had died, I would've, that would've been an irreparable damage done. So, yeah.
- Speaker 5: [46:40](#) Yeah. It, and so you're, you're, you're absolutely right there. The time to think about those things, especially with a partnership or an LLC is, is again, I suggest to people, don't do a partnership, create an LLC, but it's effectively the same thing is to think through all those things. What happens if we disagree? What, especially if you're 50, 50, what happens if we just come to loggerheads and can agree? Rita something. Um, and I'll, I'll candidly, I'm helping someone through this just more

as an entrepreneur friend, not as a lawyer who's dealing with this right now. She is part of a partnership. She wants out unfortunately. And I say it's an LLC but it's a 50, 50 and there's nothing in there about what happens if one of them wants out. And the problem is it's, you know, then what you deal with is a problem. It's just not good. And so you need to think through those things. But also happens is, you know, if one party dies, what happens if one party becomes disabled? What you have to think through these things that are not fun. It's kind of like creating a will but you need to deal with it and the time to deal with it is up front.

- Speaker 3: [47:41](#) Yeah, for sure. So let's shift gears for just a moment. I want to be respectful of your time, but I, I'm curious, I want to ask you, where do you see things going with your business? I mean, what is, what is Bobby clinks business going forward look like?
- Speaker 5: [47:55](#) Well, so I'm actually, I'm in the process of stepping out of and, and not stopping illegal stuff, but stepping out into the more business side, um, people have been asking me more and more about how I built my business. Literally, I went from unknown lawyer too. You know, by the end of last year I was already up at a run rate of over 250 k a year. And this year I'm on pace for at the end of quarter one for almost, I think it was a little above three quarters of a million dollars was my run rate. And I tell people, I don't have a tape, I'm a VA and that's it. And I got to figure, I got to fix that piece. Um, but I've been doing this and so a lot of people are asking me how I'm doing it. And so just actually last week, uh, I on the fly, this is one of my super powers is that I just try a lot of stuff.
- Speaker 5: [48:45](#) Sometimes it works, sometimes it doesn't. But I decided I was going to create a membership about helping people kind of solve that problem I talked about before. If people getting in and paying a lot of money to create a course, but they don't yet have any following. So I'm creating membership to help people find their 1000 true fans, to really kind of figure out how to connect with people, build it so they have a following so that now, you know, you have a product and you say, Hey, do you want it? And people come and do it. So that's what I'm building now. Um, the legal stuff will always be part of my business. Um, but I want to step out and do some of that business building a work as well.
- Speaker 3: [49:23](#) Love it. That's perfect. Yeah. Um, so I've got people I'll send you when you have it ready to go. Okay. Come to me and say, I don't have a list. What do I do? Yeah.
- Speaker 5: [49:34](#) Well, and so my thing is, and one of things that I'm different about is I view it as a very holistic approach.

People think I'm crazy. They think I'm on Facebook too much. They think I'm doing these things. But to me it's all part of connecting. And that's why literally the last time I opened up my template library, which is kind of my all access pass to all of my legal templates, I just did like a three day, sends some emails to my list and no ads, nothing and made 60 k and a bunch of people said, I've been waiting for you to open this. And then I just did this founder's launched last week for this membership. And literally someone wrote back and said, you had me at. So I've decided dot, dot. Faithfully. That's what I want to have people do is have that kind of, you know, people trust you and basically say, I dunno, I had someone else say, I don't know what this is, but I, if you're doing it, I want it. And so I want people to get there and that's what I want to help with. And that kind of holistic really build up the know, like, and trust factor.

Speaker 1: [50:32](#) That's amazing. So I just want folks to know, I've been working with you as a customer now for I guess whenever the Gdpr thing first came out. Yeah. So I totally trust you and like you and love getting to know you. So where do people come if they want to get into your worlds, find out what you're doing or where should we send them?

Speaker 5: [50:57](#) So I mean go to my website, your online genius.com, depending on when you're listening to this. Um, I actually gonna rebrand and just to start being Bobby clink.com. Um, but your online genius will redirect there once I'm, I'm to that point, I've got freebies. Like I said, you can find the free privacy policy there, you can find the academy and run all that stuff. Um, I've got a podcast, the or the online genius podcast where I basically taught marketing and I bring on friends, but I also do a lot of kind of solo episodes, um, which, um, I, I talked through kind of my theories of marketing and what I'm doing and the mistakes I'm making and things like that. So those are the best place to find me. I'm on Instagram at at just Bobby clank, or you can find me on Facebook, uh, Bobby clank or your online genius.

Speaker 1: [51:43](#) Perfect. Thank you for taking time to share with us today, Bobby. Well, thank you for having me. It's my pleasure. We'll have links to everything we've talked about in the show notes. To go to Ray edwards.com/three nine zero to get those links and to get your worksheet and tell me your biggest takeaway from today's show on Twitter. It's at Ray Edwards. Instagram is Ed Ray Edwards and Facebook to Ray Edwards. Wherever you'd like to talk to me on social media, do it and let me know. What did you think about today? Show what was your biggest takeaway today? Show is produced by Chris Edwards. Show notes and worksheets by Doug Pew and Juan Lopez until we meet again. May you prosper in all things, health, wealth,

and wisdom. Now go out there and live your most prosperous life.

Speaker 2:

[52:21](#)

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