



## Secrets to Succeeding as a CAD Consultant

Jamie Thomas – Midpoint CAD, LLC

**BU105-1** Have you ever wanted to break out of the 9-to-5 grind and strike out on your own? Do you have the right instincts, personality, and risk tolerance? Would you like to know how others have made it as CAD consultants? In this interactive panel discussion, you'll learn from some of the best in the business and be able to ask questions about what it takes to succeed. We'll cover it all -- from starting out and setting up, to sales and marketing, growing your business, and hiring your staff.

### **About the Speaker:**

Jamie has been an avid user of Autodesk products since 1985. She started her own company, Midpoint, in 1993, to provide drafting services to the tradeshow industry. The business expanded into Midpoint CAD, L.L.C., now employing 15 people and providing drafting, consulting, training, and customization services to the AEC industry locally and nationwide. Jamie earned a Bachelor of Science degree in Industrial Technology from California Polytechnic State University, San Luis Obispo, and an MBA from the University of San Francisco.

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Autodesk  
University  
2007



## Introduction

- Background on Midpoint CAD, LLC
- Panel Members
- Game Plan
- How I learned to run a consulting business

## Do you have what it takes?

**A.K.A Are you ready to make your work, your favorite hobby?**

### Success Secret:

- Work hard and Persevere

### Pros

- Be your own boss
- Flexible hours, set your own schedule
- Work on what you want
- Lucrative money

### Cons

- Can have inconsistent income
- Can wait awhile for payment
- Quarterly tax payments
- No guaranteed stability
- Little or no benefits
- You are always on
- Can be feast or famine
- Sacrifice family or personal life

*Dr. Seuss's first  
children's book was  
rejected by 23  
publishers*

*Apple's first  
microcomputers were  
turned down by HP  
and Atari*



### Personality

- You are a detailer by trade! Pay attention to the details!
- Attitude
- Self Motivating
- Risk Tolerance
- Passion
- Focus
- Discipline
- Never consider the possibility of failure
- Have Faith

### Capabilities

- Find a niche
- Know your trade
- **Success Secret:** Be “bi-CADual”

*In his first three years  
in the auto business,  
Henry Ford went bust  
twice*

*Michael Jordan was  
cut from his high  
school basketball  
team*

## Setting-up

### Business Name

### Business Structure

- Sole Proprietor vs. other structures

### Infrastructure

- Hardware
- Software

*85% of small  
businesses go  
bankrupt during their  
first five years*

*The remaining  
businesses that hang  
in there only break  
even*



### Setting your Prices

- What the market will bear?
- What do you need to make?

*Only 4% of new businesses make a sizeable profit after 5 years*

### Employees vs. Contractors

- W2 vs. 1099
- Hire attitude, not just capability
- Provide incentives to bring in new business
- Make them “team” members, not staff
- Provide for their individual success
- Provide educational opportunities
- **Success Secret:** Use contractors as long as you can

### Adopt a philosophy of frugality and thrift

- Barter
- Trade
- Share
- Learn
- **Success Secret:** Use interns

## Marketing or Where do I find work?

**Success Secret:** If you're not growing, you're on the way to going out of business

*It can take 10 attempts to make a sale, but each attempt adds to your credibility.*

- Use Guerrilla Tactics – going in-house
- Networking
- Word of mouth
- Glean referrals from your existing customers
- Advertise where your customers look



- Credibility
- Frequency, frequency, frequency!!
- Website
- Business Cards
  - Mini-brochures
  - Always have them
  - List all contact information and all services
  - Ties in with all other marketing materials
  - **Success Secret:** laminated version
- Brochures
- Email campaigns
- **Success Secret:** Car Marketing

**Perception:** Ten years at the same location. Everybody already knows about you

**Reality:** Very few people know about your business. Your business is only two or three percent of the market. Enormous numbers of people don't know of your quality or service

## Know your enemies..I mean, your competitors

**Success Secret:** Be sure you're doing everything better than your competitors!

- Order something from them
- Visit them in person
- Buy something from them
- Be prepared to face up to some awful truths about your company
- Find their weaknesses to capitalize on
- Pick up after them
- **Success Secret:** Learn the value of “co-opetition”



## Sales - Show me the money!

**Success Secret:** The hour from 9:00 a.m. to 10 a.m. -- your customer's time -- that is known as The Golden Selling Hour.

**Skills and Abilities:** What can you provide that is worth using as a CAD consultant over someone else or in-house?

- Promoting Outsourcing
- Create the Value Proposition
- Provide a faster solution to in-house
- Provide better talent than the staffing companies

## Customer Service

**Success Secret:** People do business with people they like

- First impression counts
- Good reputation
- Customer is KING!
- Constant improvement
- Listen to your customers

**Success Secret:** Customers want recognition, acknowledgment, information, advance opportunities to purchase, and new calls to action.

*15% of customers  
switched to another  
business because of  
quality problems.*

*15% left because of  
price*



- Nourish lasting relationships
- Send thank-you notes
- Contact clients at least three times within the next 3 to 6 months after a sale
- Call clients just to say, “Hi”!
- Make clients family
- Follow-up prevents dreaded apathy and increases business anywhere from 20% to 300%

**Success Secret:** Compute the value of your customer

- If you continue to provide an acceptable service and quality, how long will the customer patronize your business?
- How much will the customer spend in the average year?
- What's the total value of this customer?
- Engrave it on your forehead and share it with all your employees

**Work quality**

- Scope of responsibility
- Who pays when the part is wrong, the road is in the wrong place, or the design doesn't work?
- Who “owns” the design?
- Who “owns” the drawings? (Electronic)
- Lawsuits, Errors & Omission Insurance

*70% departed because they didn't like the human side of doing business with the prior provider of the product or service!*

*It takes twelve positive incidents to make up for one negative incident.*

*Only 4% of unhappy customers bother to complain.*

*For every complaint you hear, 24 others go un-communicated to your company, but not un-communicated to other potential customers.*



## Getting paid

**Success Secret:** CAD files will not be released until payment in full is received

- Client Contracts
- 20% Deposit
- Due upon receipt of the work
- Progress payments
- Dealing with change orders
- What to do when they won't pay

## Tips and Tricks

**Stay educated in your industry**

- Subscribe to a trade journal
- Keep your skills sharp
- Educate your staff
- Go to AutoDesk University
- Remember that you are an outsider
- You are a mercenary, the Fire Brigade, their saving grace
- Don't get involved in client politics
- Know when to say, "NO".
- Know when to ask a client to go elsewhere
- Know when to throw in the towel on a project
- Successful obsolescence



## Audience Questions

Let me have it!

## Resources

[www.midpointcad.com/au/2007.html](http://www.midpointcad.com/au/2007.html)

[www.irs.com](http://www.irs.com)

[www.powerhomebiz.com/vol19/rules.htm](http://www.powerhomebiz.com/vol19/rules.htm)

[www.morebusiness.com](http://www.morebusiness.com)

[www.gmarketing.com](http://www.gmarketing.com)

[www.cadclassified.com](http://www.cadclassified.com)

[www.cadproe.com](http://www.cadproe.com)

[www.sologig.com](http://www.sologig.com)

[www.dice.com](http://www.dice.com)

[www.flipdog.com](http://www.flipdog.com)

## About Midpoint CAD, LLC

At Midpoint, we provide CAD services to companies that either do not have internal CAD capabilities or are in an over-capacity position. We have been providing these services since 1993 to the exhibit, mechanical, A/E/C, civil and landscape industries. Our services include: 2D/3D drafting, 3D modeling, laser measured as-builts, AEC content, CAD standards, education and plotting services.

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