

Book Review for 09/28/03 by Debra Burke

Title: "What I Learned Before I Sold to Warren Buffett"

Author: Barnett C. Helzberg, Jr.

Publisher: John Wiley & Sons, Inc. 2003

Length: 333 pages

Price: \$24.95

Reading time: 3-4 hours

Reading rating: 8 (1 = very difficult; 10 = very easy)

Overall rating: 4 (1 = average, 4 = outstanding)

An Entrepreneur's Tips for Selling to the World's Best Investor

Barnett C. Helzberg, Jr., the author of "What I Learned Before I Sold to Warren Buffett," experienced a chance encounter with investment guru Warren Buffett on the streets of New York and suggested to him that he consider acquiring his family's jewelry business. Upon receipt and review of the requested company information, Buffett's investment group purchased Helzberg Diamonds. While the meeting may have been a chance one, the appeal of Helzberg's company was anything but fortuitous. Helzberg not only succeeded in pitching his company to the world's best investor in thirty seconds, he and his predecessors succeeded in building a company worthy of acquisition.

In this book the author sets forth tips for building a solid company, and notes strategies for avoiding pitfalls as well. He divides the text into six parts: Managing, Decision Making, Hiring, Inspiring, Communicating, and Focusing. In the numbered sub-chapters, "Helzberg Hints," he relates an experience and then evaluates the lessons to be gleaned. Helzberg summarizes each chapter in a succinct paragraph headed "Mining for Diamonds," and follows this summary with meaningful quotes from noteworthy sources.

For example, in the part of the book devoted to managerial issues, he explains the importance of never burning a bridge, or ending a business relationship, no matter how disappointed one is in the other party. He also discusses the significance of differentiating one's business, the importance of being service-oriented and the value of complaining customers. In his section on inspiration he discusses how important it is for an entrepreneur to "care and feed" associates, suppliers and lenders. With respect to hiring issues, he addresses the selection of lawyers and other consultants, in addition to the question of whether or not one should sell to (or hire) friends and relatives, which he advises against.

The text reveals that the author is both enthusiastic and sincere about the pearls (or diamonds) of wisdom that he relates based on his own experiences, some of which were successful, and some of which were not. His recommendations are straightforward and practical. One senses that it is no wonder his hard work and the fair treatment of his constituencies paid off. The text is easy to digest and to remember. Who knows what

could happen if an entrepreneur goes a step further and implements his carefully crafted suggestions!

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