

# Are You Willing to Sleep in front of the Fire

There is a story attributed to Ben Franklin that carries a profound message that you and your clients should heed.

It goes like this.

Ben had a printing business and was concerned about a competitor's pricing policy. He invited his competitor around for dinner and placed a bowl of broth and a piece of bread on the table. In the room was a warm fire with a blanket next to it.

**Unless your costs are lower than your competitors' or you are willing to sleep in front of the fire, don't compete on price.**

Ben said to his guest, "I can live on this bread and broth and have no trouble sleeping by the fire wrapped in that blanket. If you can live on less, you can starve me out. If you can't, you had best reconsider your pricing."

Issues of illegal price fixing aside, the lesson is clear. Unless your costs are lower than your competitors' or you are willing to sleep in front of the fire, don't compete on price.

You might want to send this little piece of sage advice to those of your clients who seem destined for many nights in front of the fire.

## Support Resources

Our firm is a member of the Principa Alliance, a global network of business growth consultants who are focused on helping small to mid sized business owners build better businesses.

We can help you with competing on price.

Learn more about we can help you grow your business profits by calling us today.