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Leading Edge Mergers and
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Bankers Advocate Group

Chris Curtin, COO

- Evaluate your business for a Successful Exit...
- Enter Ownership with our Successful Targeted Search Program...
- Enhance your Systems & Cash Flow for a Successful Exit...
- Exit Ownership with our Winning Strategies...

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The Source for Business Ownership Dreams...

BUSINESS APPRASIALS • EXIT STRATEGIES • TARGETED SEARCHES

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- Determination and persistence are required, however, there must be an equal emphasis on patience and care with individuals at all levels, including customers, employees and owners.



"Hope is not an Exit Strategy!"



Business Ownership

Bankers Advocate

THE ADVOCATE VOICE FOR ENTREPRENEURS...

Success Habits

vs.

Failure Habits

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- Develop a better product or service you can provide to better customers and clients as promised. The most important part of your operation is customer/client relations...make this the #1 concern in everything you do!
- Design a realistic business plan with regular reviews and revisions based on an intelligent market analysis.
- Operate with adequate (but not too much) funding and honestly account for the best use of it through financial controls, budgeting, accurate accounting and a conservative attitude.
- Produce the products and services at the highest quality on a timely basis.
- Develop an economic system of delivery of the products and services.
- Stay one step ahead of the competition with constant innovation of products, services and processes.
- Positively comply with all government regulations prior to the final deadlines.
- Develop personnel policies, training and rewards that attract the best staff available. Ensure the highest degree of efficiency, competence and integrity on the part of all employees. Be sure there's understood expectations and measured production.
- Open lines of communication is vital with customers/clients, employees, providers, owners and financial institutions.
- Nothing happens until something is sold, so, generate and maintain enthusiastic momentum in your sales division.

- Ignore the requirement of planning which leads to the lack of direction, confusion, wasted financial and human assets, disappointed customer and ultimate failure.
- Greed will ultimately undermine the integrity of everything attempted. Insure your products deliver solutions that deliver real value to your clients and constantly back test that model. Price cutting is a race to the bottom.
- Things don't always happen on your schedule and impatience with the reality of timing can take the wind out of the sails of everyone around you...especially customers and clients.
- Loss of trust in your sales department can ruin everything. Demand that they promise only what you can deliver, and, then deliver it so they can maintain integrity.
- Loss of quality control cannot be overcome easily. Toyota recently became the #1 vehicle company in the world through quality of product...quality is a requirement of all success.
- Expecting production beyond ability leads to diffused effort. Do a few things really well before you try to be all things to all people.
- The inability of owners to make key decisions on a timely basis creates indecisiveness on the part of management which ultimately results in confusion for all involved.
- Bad budgeting and inadequate financial records will collapse any organization...it's just a matter of time, and, how much money you are ultimately willing to lose.
- Bad human relations will take the fun out of even a successful operation. If you don't like people, stay out of business, or stay away from the people and let someone else do it!

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BUSINESS APPRASIALS • EXIT STRATEGIES • TARGETED SEARCHES

Could Your Exit Strategy Benefit

from an Enhancement?

As a business owner, you are hopefully building a business for an eventual successful Exit! But what if the business is not performing at its best? Let's look at common steps to improve the business as a part of your Exit Strategy.

First, in the **Exit Strategy** let's look at **what** are your financial needs. Is your personal wealth dependent on the sales proceeds of your business to fund your retirement?

Second, let's look at **who** can you sell or transfer your business to. Is a sale appropriate to a third party, key employees or the next generation in your family?

Third, **when** do you exit your business ownership? Are you burned out and wish you had sold yesterday, or, are you doing well and need to start planning the future Exiting process?

All of the answers to these questions build from one missing variable, **what is your business worth?**

Whether you want to exit now or in five years, you must know from a reputable source the value of your business. Your business is

worth much more than the sum of its assets minus liabilities. It is an economic engine that provides a lifestyle. The big question is whether your acquiring audience sees the appraisers finished product reliable.

Since most transactions need some type of financing, almost all will require a 3rd party appraisal from a reputable source.

For argument's sake, let's say you have invested in a business appraisal and you are ready for the next step. There can be two outcomes. One, you are happy with the dollar amount your business appraised for; or two, the amount is too low and you cannot possibly sell it for that amount. Under the first outcome you can begin the Exiting Process. Under the second, decisions have to be made.

The appraisal typically compares your business to others in your industry and gives clues to the financial and operating areas where you are under performing your peers. Using this information, do you bring in an Enhancement professional to increase the value of your business, or, do you and your staff have the abil-

ity to improve the business yourselves?

The skill sets to grow versus turnaround a business differ greatly. Also, many business owners are in denial to their business problems and often use the excuse that a *lack of money* is their only problem. The appraisal quantifies your business value in black and white. An Enhancement professional as a seasoned outsider without preconceived opinions or emotional ties can see your business in its true light.

Many private equity groups exist who buy struggling companies, fix their problems and then sell the business in 2-5 years for a tidy profit. They are awash in money and are constantly looking for under performing opportunities that can be purchased at a discount. Do you want to sell your business on the "cheap" or invest in an appraisal and an Enhancement professional to "maximize" your monies at the closing table?

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How to Avoid Desperation in Selling

- First, be sure you're selling something the prospect really needs. Don't waste your time and the patience of the prospect on optional products and services.
- Even though what you're selling is needed, make certain you provide the best in the market.
- Learn and fill the specific needs of the prospect.
- Be prepared to personalize what you offer. Even commodities can be differentiated. Sell Solutions.
- If the above are all true and you still get resistance, ask questions until the prospect shares their concerns and needs that you're missing.
- Don't get desperate with any single prospect.

There's more fish in the lake...go drop your bait in another place.



Enjoy Your Business...More!

- Take care of your body with ample sleep, exercise and a proper diet.
- Take care of your mind. Avoid people and situations who attempt to dump their negative issues between your ears.
- Take care of your belief system. If it's religious faith, axioms, or friendships, develop a system that gets you beyond the current issues.
- Take care of your revenge tendencies. Don't hang on to anger or resentment. Learn to forgive!
- Take care of your joy. Focus on the things that bring you happiness.
- Take care of those who need you. Helping someone else helps you savor your own successes.
- Take care of your mentors. Show genuine gratitude for those who have invested in your success and happiness!



How to Safely Sell Your Business for More...

How do you want your money? Determine if you will finance any, all or none of it and how you will handle the tax consequences of your decision.

Prepare for the banking institutions. Chances are a financial institution will be in-

involved, so prepare for their needs from the beginning.

Don't leave money on the table. Get assistance from a certified *Primary Business Consultant (PBC)* in the following:

- (1) Recast (normalize) your financial records for a

minimum of 4-5 years to show the total discretionary income generated to the benefit of the owner.

- (2) (2) Use a certified independent 3rd party Business Appraiser to justify the maximum price to which you are entitled so you can drive that price from your perspective from the beginning of negotiations.