

Seminar Syllabus: Business Broker Training

(Each seminar is limited to 10 persons.)

The Profession

- Important recent trends
- Licensing requirements by state
- Reliable reference sources / bibliography
- Full or part time
- Income expectations
- The statistics of the profession

Setting up office

- Home or rental office
- Solo practitioner or join an established firm
- Recommended software
 - Contact management
 - Office / listings / sales management
 - Business appraisals
- Setting up the files – categories needed
- Office equipment requirements and recommendations
- Phones and answering options
- Letterheads and business cards
- Signage

Listings – Your key to success

- Number of businesses for sale at any point in time
- The 6 methods of obtaining listings
 - Advantages and disadvantages of each
- Quality versus quantity in obtaining listings – the enduring controversy
- The 3 most common problems with listings and how to handle each
- The listing process
 - The need for confidentiality
 - Initial contact with seller
 - First interview with seller
 - Business valuation
 - Three commonly used methods
 - Written pricing analysis
 - The third party appraisal and when it's needed
 - Recommended firms to use when needed
 - Follow up interview with seller
 - The vital need for accurate initial information on the business

- The critical importance of handling company problems early
- Getting the listing contract signed
 - Length of listing considering average length of time to sell
 - Commission rate – the range currently in use
 - Other critical issues
 - Important protective legal language
- Preparing the seller for what is to come
 - Outlining the process step-by-step can be critically important
- Building the listing file
 - Financial statements – how many years needed
 - Tax returns
 - Company history and narrative
 - Company marketing materials (brochures, etc.)
 - Lease agreement
 - Other items
- The importance of staying in touch with the seller

Marketing – To earn your commission

Selling yourself

- Association memberships
- Networking opportunities
- Speaking engagements
- Writing articles
- Conducting seminars

Business Acquisition Financing

- Most buyers will need financing to acquire a business
- Consulting with buyers to assist in obtaining financing
- The 4 sources of business acquisition financing
 - Advantages and disadvantages of each
- How to pre qualifying a business for financing
 - Marketing a pre qualified business

Building the listing's marketing package (both hard copy and emailable)

- The profile: a 1-page summary of the business
 - What to include
 - The preferred layout
- The recast cash flow summary worksheet

- The necessity of recasting the profit and loss statement to calculate owner's discretionary cash flow (CPAs call it "normalizing" the profit and loss statement)
- What is "owner's discretionary cash flow" (ODCF)
- Expense items to consider when adjusting for ODCF
- How to calculate the final figure for ODCF
- Form to use to clearly show calculation to buyer prospect
- Other items to include in the marketing package
- What to leave out of the market package for later presentation

Selling the listing while maintaining confidentiality

- Newspapers
- Other local media
- Direct mail and personal contacts
- Your personal database of buyers
- Websites
 - Your own local website
 - The new importance of having you own
 - How to build / contract for your own website
 - The best host for your website in the profession
 - Methods of insuring that your site gets noticed
 - National "Business for Sale" websites
 - Ranked by strength of results and our recommendations
- Key wording to use in all advertising to generate inquiries
- Information that should never be in the public advertising

Fielding buyer inquiries

- Essential phrasing to use in your initial response
- How to maintain confidentiality while being diplomatic
- The non-disclosure agreement
- The buyer questionnaire form
- Obtaining financial information from the buyer
- Separating the "tire kickers" from the serious prospects
- The 3 frequent objections from buyers and how to handle each
- Giving the prospect the marketing package: when and how
- Managing the anonymous visit by the prospect to the business
- Setting up the next step: the buyer / seller meeting

The buyer / seller meeting

- Pre briefing the seller on the outline for the meeting

Meeting the prospect at the business: where and how
Six definite things the seller should do during the meeting
Three critical things the seller should not do at the meeting
The tour of the business
How the seller should say goodbye to the prospect
How the broker should prepare the buyer for the next step: the offer

Writing the "Offer to Purchase"

How to introduce the "contingent" contract
How to address the prospect's natural anxieties
The issues covered in the contract
 Price and financing terms
 Closing date
 Inventory level to be on hand the day of closing
 How to adjust at closing if different from stated level
 Training and transition agreement
 Non compete agreement
 Deadline for response of seller to buyer's offer
 Contingencies and the extreme importance of them
 The 2 most often included contingencies and why

Negotiations

Seven do's and don'ts that can make or break the process
When to be diplomatic
When to be frank while maintaining your professionalism
How to handle the insurmountable
The importance of momentum
How to wrap it up and move on to the next step: due diligence

Due diligence

What is due diligence and why is it so critically important
Buyer's remorse and how to deal with it
The business books and records and how to handle with buyer
The other issues that may crop up and how to handle
The importance of being earnest
Satisfying the contingencies
Getting the buyer and seller to sign off on the satisfaction form

Closing

- Reconfirming the closing date
- Who can act as closing agent
- The need for a cashiers check at closing
- The disbursements
- The forms
 - The proceeds disbursement summary
 - The bill of sale for non realty assets
 - The deed for the real estate (if there is any)
 - The note (if seller or 3rd party financing is involved)
 - The chattel mortgage as security for the note
 - The covenant not to compete
 - Any other document as call for by agreement of the parties
- Other issues
 - Proration of rent and other similar expenses
 - A plan for the return to the business from the closing table
 - The meeting with the employees
 - Training and transition schedule firmed up
 - Key to the business exchanged

Congratulations! – At completion of the training and are ready for a new profession.

The awarding of your handsome diploma attesting that you have graduated from the Advanced Business Broker Training curriculum of the American Business Brokers Association.

You are also awarded upon completion of the seminar the professional designation of Accredited Business Intermediary ("ABI") with a handsome certificate suitable for framing and display on your office wall.

At your option, we will take a photograph of you receiving the diploma from the president of the association and write a press release for your hometown media.

All of the items in the syllabus are discussed in detail in the seminar, with hands-on exercises and a generous amount of time allotted for questions and answers. At the successful conclusion of the seminar, graduates will be ready to enter the profession with the knowledge distilled from many years of practice by senior members of the association. The seminar is personally taught by the president of the association. All forms, contracts and marketing materials needed for a business brokerage practice are provided on flash drive in Microsoft Word format so that they can be edited and personalized.

The investment in the program, including all materials, is \$895 with advance reservations or \$995 at the door. Each class is limited to 10 participants, so please reserve you space early to insure availability. Credit cards are accepted thru PayPal.

To register, please call:

William Bruce, President, American Business Brokers Association

(251) 990-5934

or

email him and request a registration form at

WilliamBruceOnline@gmail.com

We look forward to seeing you in one of our seminars!