

Get Ready ...

# Get More \$ News



B. C. REGION

1ST QUARTER, 2008

## Dear Baby Boomer Business Owner:

### *The Trillion \$ Challenge is Coming Soon To A Business Dear To You*

We've been called the 'Pig in the Python', the demographic bulge slithering inexorably through the belly of time. If you're like me, there have been long stretches when you haven't noticed life passing by. And then there are the birthdays, special occasions and, hopefully, not too many crises that remind us that our seven stages of life, as Shakespeare described them, are falling away behind us like pages ripped from a calendar.

And so it is that we, the



baby boomer generation, the demographic dictators of our era, are mov-

ing on to what surveys say we like to call 'the next stage of life', what our more down-to-earth parents would have called retirement.

As both a baby boomer



and an experienced business owner, you know that the 'Pig in the Python' has always carried profound economic ramifications. These ramifications have almost inevitably affected your business life in some way since your entrepreneurial ventures began decades ago.

So the question now is what will the 'Pig in the Python's' impact be on

the next stage of your own life, the stage when you decide, voluntarily or involuntarily, to sell your company to management or outsiders. Or, if it be your choice, when you transfer ownership to the next generation of your family.

Whatever you do and whatever you have done, from watching 'the Beav' to remembering where you were when you found out about JFK to watching the grainy black and white picture of Neil Armstrong on TV announcing the 'one giant step for mankind',



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### SPECIAL POINTS OF INTEREST:

- 71% of all entrepreneurs intend to sell their business in next 5 to 10 years
- That statistic translates into more than 300,000 businesses that employ between 5 and 199 employees
- More than \$1 Trillion in capital will be needed to finance the sale of these businesses
- Family businesses = 43% of Canada's GNP ... we can help!
- \$100 million donation—the definition of responsible wealth

## What If ... I Just Want To Raise Money?



\$1 million — The world's largest coin denomination

from expanding my business to creating liquidity

What if I don't want to sell? What if I just want to raise money for whatever reason,

so I can turn my business over to my family? Our answer to that question may sound like one of the country and western songs my daughter loves, ... 'You may not want to sell your company, but you will have to sell your business'.

In any financing you will have to convince pro-

spective investors and/or bankers of the promise and viability of future earnings. You will be selling them on 'the business'.

The more effectively you sell your business, the more you will receive for your financing. We can help you ... Get Ready ... Get More.



2006—the year the first baby boomer turned 60.

## Dear Business Owner (continued):



The 'Pig In The Python'

you have been part of the 'Pig in the Python'. Whatever you have done you have done it with millions and millions of other baby boomers. Logically, selling your business will be another communal activity that you will share with your fellow boomer entrepreneurs.

In fact, according to a survey by the Canadian Federation of Independent Business (CFIB) 71% of all entrepreneurs intend to sell their businesses over the next 5 to 10 years. With 440,000 companies in Canada that employ between 5 and 199 employees, that translates into more than 300,000 businesses being listed for sale. The law of supply and demand, a law that every entrepreneur that I have worked with in the past 30 years knows how to profit from, dictates that this explosion of supply will have a profound impact on all aspects of the sale and transfer of businesses, including prices. In his article '[The Trillion Dollar Trap](#)' Rick Spence predicts that more than \$1 trillion will be needed to finance this transition. This will push Canada's capital markets to the limit — if not beyond. The article continues to build a strong case that not only will capital be in short supply, but also buyers and, believe it or not, qualified advisors.

We founded our company to help you and other baby boomer business owners get ready for what we like to call 'The Trillion Dollar Challenge'. It is our goal to help ensure you have your own happy ending before you sail off into the sunset of your choice.

*Doug Harvey, C.A., Founder*



## Profile: Our Shaun Fitzpatrick



When you talk to Shaun you will note his genuine enjoyment of his relationships with his owner-operator clients. Shaun plays three primary roles in helping these clients become more successful — as a Sales Manager/Sales Trainer as a Business Coach and as a Professional Speaker.

As a Sales Manager and Sales Trainer Shaun loves the challenge of increasing revenues. He has engineered significant revenue increases for organizations selling through distribution, at retail,

through national call centers and business to business. In addition, he has designed and delivered sales training programs for both clients and for the Canadian Professional Sales Association.

As a Business Coach Shaun has assisted owners in ensuring that strong management teams are in place, including the implementation of processes for developing future managers. He also has expertise in attracting, hiring, growing and retaining top personnel.

Shaun has earned Professional Member status in the Canadian Association of Professional Speakers and has delivered customized

## Working with Your CA, CGA and/or CMA

We think that our family dinners are very exciting. Between our brothers and wives we have 2 CAs, 2 CMAs and 1 CGA. I like the saying about saving the best for last so I, the youngest, became a CGA.

Like all accountants we have our unique profiles and experiences. Two of us are involved in Get Ready Get More, my brother Doug and me. We also access my wife, Rose's, skills as an experienced (smart, good-looking) CMA.

Doug's qualifications and experience range from a finance degree and a CA to marketing and communications to change management and vision development. He will tell you that this background is ideally suited to helping businesses like yours to 'Get Ready to Get More' when they are sold. I humour him because he is my older brother.

My own focus is systems design and installation. My strongest expertise is in JD Edwards ERP systems and in CRM systems. Our goal for you is to combine the right CRM and accounting system so that you will be able to offer a complete package of information that will create confidence in a potential buyer.

Together with our revenue development experts and business coaches, we work with your own internal and external CAs, CGAs and CMAs. We are there to complement their skills and experiences, not to replace them. After all, they are all family to us.

*Dale Harvey, C.G.A.*

talks and training programs on a wide variety of business development and motivational subjects.

Shaun lives in North Vancouver with his wife Pam. They have four daughters, Erin, Kelley, Katie and Courtnie. Their chosen sunset colours the skies over Osoyoos, B.C. where they own a condominium on the lake.



*Osoyoos Lake, Osoyoos, B.C.*



## All In The Family ...

*Family businesses play an important role in all western economies. Their impact ranges from a low of 40% of gross national product in the United States to a high of 63% in Spain and Portugal. In Canada these businesses account for 43% of gross national product.*

*Our goal is to help all baby boomer business owners get ready to get more value for their business including family-owned companies. As described in [Our ABC Approach To Creating Value](#) we complement our Core People and Processes with our Network of Specialized Advisors such as David Bentall, pictured above, an expert in helping family-owned businesses.*

*In order to prepare for transfer of a business to the next generation, David recommends :*

**A Succession Plan**—“A Succession Plan outlines the way a business should be managed after the retirement of the current owners. It prepares the next generation to manage effectively without conflict. It can keep the family’s financial interests in a business and,

by implementing tax-effective strategies, can greatly reduce the estate taxes that must be paid in the future”.

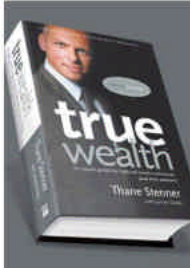
**Family Mission Statement**—“A mission statement is a written explanation of the values and beliefs that have led a business to its current success and a plan for organizing its financial and human assets to ensure its future success. The family mission statement is a statement of family identity: who we are, what we believe in, and what we will do in the future”.

**Outside Directors** - According to Mr. Bentall, this is one of the most critical steps that can be taken to ensure the continuing existence and growth of a family owned business. “Having outside directors is the only way for the owner to know he is getting independent advice”.

*Mr. Bentall is President of Next Step Advisors. He worked for his family’s real estate and construction company for 20 years. During his tenure as President the company doubled in size to just under \$300 million in sales. Mr. Bentall played a leading role in several landmark projects, including GM Place,*



## Financial Planning For When You Become An Even Higher Net Worth Individual



The headline was simple. The top of the page read ‘\$100,000,000’. Frank Guistra, a wealthy Vancouver mining financier, was announcing a donation to one of Bill Clinton’s charitable funds.

We think that Thane Stenner, author of *True Wealth, An expert guide for high-net-worth individuals (and their advisors)*, would approve. In this thoroughly knowledgeable and helpful book Mr. Stenner covers a variety of useful topics for high-net-worth individuals, ranging from philosophies

about having wealth to investment strategies to certain technical topics. We like his philosophy that ‘*considering wealth in a new way also means understanding that with wealth comes responsibility. (Wealth holders) need to accept the responsibility that they have to both their families and their communities, a responsibility to manage their wealth capably, and pass that wealth on to both their family and their community in an easy and efficient manner. (They) must be stewards of wealth, protecting and nurturing that wealth so that it can continue to do good in the next generation—and beyond. In the end that’s what makes having wealth worthwhile.*

We concur.



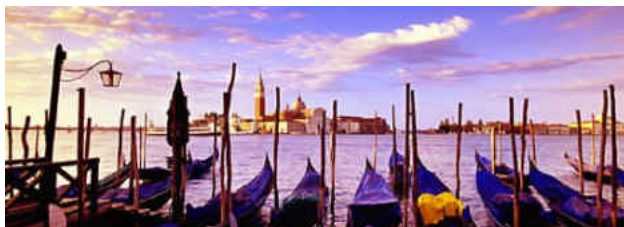
## Yes, We Are In The Travel Business

Do you own your business? Or does your business own you? It is a question you have likely faced a number of times. In the beginning the business would have owned you. Like an infant, it could not have survived without you. You drove the sales, you operated the company, you solved all the crises.

What about now? Could the business survive and thrive without you? Could the business be ‘owner-independent’? A buyer needs to know that it can be. Otherwise the value of the business will walk out the door with you. No buyer can afford for that to happen.

Our logo looks like we might be in the travel business because we believe we are. One of our goals is to make your business less dependent on your physical

presence. When you know that you have the freedom to travel by sailboat through the Caribbean, scuba dive in the South Seas or treat your spouse to the long promised gondola ride in Venice, then you will have taken one of the necessary steps toward making your business owner-independent and buyer-friendly. We can help you ... *Get Ready ... Get More.*



**‘Dollars and Beyond’**



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#### OUR VISION

*Get Ready Get More ...  
Dollars & Beyond*

#### OUR VALUES

*We are determined to live by,  
and be held accountable for, our:*

- Professionalism
- Expertise
- Contacts
- Caring
- Results



*Ask about our  
Satisfaction  
Guarantees*

**We're on The Web ...**  
**getreadygetmore.com**

## GET READY GET MORE ... DOLLARS & BEYOND

*Get Ready Get More Business Advisors Inc. was founded to help baby boomer entrepreneurs to prepare their businesses for sale so that they will receive the maximum dollar value when they sell their companies or when they transfer ownership to the next generation of their family. We also provide a resource bank of people and processes to ensure that the transition from past to future is successfully navigated by everyone affected by this critical rite of passage.*

*In our Vision, maximizing dollars received comes first. Ensuring success beyond the dollars follows at the owner's request and discretion. Our ABC Approach to Creating Value has been organized and focused in proportion to the importance of these priorities. Getting More Dollars is our #1 professional duty, our primary focus, our business 'raison d'être'. Delivering More 'Beyond' lies at the heart of our quietly personal passions to deliver even more than the most dollars for the sale or financing of a business.*

*The principles and processes that apply to helping owners when they sell or transfer their businesses also apply to maximizing value received in other types of financing transactions. For more information please contact Shaun Fitzpatrick or Doug Harvey or access our website, www.getreadygetmore.com*

## Getting More For Your Business ... Our ABC Approach To Creating Value

We use a three part ABC approach to help you get ready to get more for your business.



### A. Our Core People and Processes

The formula for valuing a business can be expressed simply as *Sale Price = Forecasted future earnings x the buyer's level of confidence* in those forecasts. Our core people and processes focus on maximizing both perceived future earnings and the level of confidence in those earnings. A supplementary process helps owners get ready to 'pass the baton' smoothly and effectively. An 'Account Manager' guides and coordinates the preparation process.

### B. Our Network of Specialized Advisors

We have a network of advisors with niche and/or technically specialized areas of expertise, such as family businesses and personal financial planning. Specialized advisors are introduced based upon the needs of a particular owner.



### C. Our Connections to Selling Agents and Advisors

Selling agents and advisors are involved in the planning processes from the beginning to ensure that the end goal of 'Selling ... For More' is kept at the forefront of the process. The motivation for their involvement is the development

of relationships that could lead to sales contracts in the future.

We have made arrangements with our selling agents and advisors to share their success fees when you decide to sell. In effect, we serve as 'listing advisors' to their 'selling advisors'.

Knowing that we will share in success fees enables us to charge more reasonable fees for the work we do before you sell.

This arrangement keeps us tightly focused on the goal of helping you receive maximum dollar value for your business.



*We can help you. Get Ready ... Get More.*

**'Dollars and Beyond'**