


**Cashing Out Study Group**

**Responding To Concerns**



*Presented by:* Brad Davidson, President  
SPAR DATA Value Advisors

© Knowledge Based Presentations/Wholesalers 2009 Wholesalers

---

---

---

---

---

---

---

---

**Curriculum**

1. The question nobody's asking
2. Know what they've got
3. **Responding to concerns**
4. Grow what they've got
5. Know their exit options
6. Starting the conversation
7. Centers of influence

---

---

---

---

---

---

---

---

**Why do owners misjudge business values?**

1. Wishful thinking
2. Rules of thumb

5/3/2011 For producer use only. Not for distribution to clients. 3

---

---

---

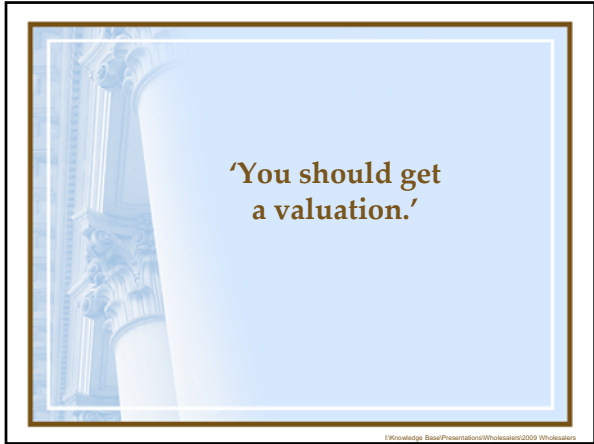
---

---

---

---

---



**'You should get a valuation.'**

© Knowledge Base Presentation/Wholesaler 2009 Wholesaler

---

---

---

---

---

---

---

---



**Why should I care?**

If you want to cash out...

1. Know what you've got
2. Grow what you've got
3. Know your exit options

5/3/2011 For producer use only. Not for distribution to clients. 5

---

---

---

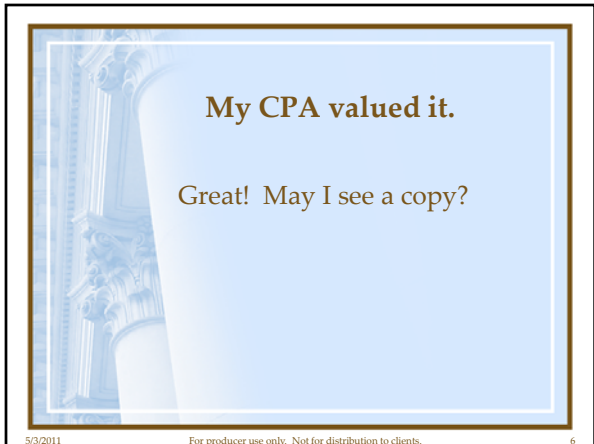
---

---

---

---

---



**My CPA valued it.**

Great! May I see a copy?

5/3/2011 For producer use only. Not for distribution to clients. 6

---

---

---

---

---

---

---

---

**My business is too unique to be valued.**

The IRS will value it.

5/3/2011 For producer use only. Not for distribution to clients. 7

---

---

---

---

---

---

---

---

**My business is worth (rule of thumb).**

Rules of thumb are always wrong.

5/3/2011 For producer use only. Not for distribution to clients. 8

---

---

---

---

---

---

---

---

**It was valued several years ago.**

Has it changed since then?  
Or  
Great! May I see a copy?

5/3/2011 For producer use only. Not for distribution to clients. 9

---

---

---

---

---

---

---

---

**It has no value without me.  
I *am* the business.**

Tangible vs.  
intangible

5/3/2011 For producer use only. Not for distribution to clients. 10

---

---

---

---

---

---

---

---

**Valuations are  
too expensive.**

Talking with my  
appraiser is free.

5/3/2011 For producer use only. Not for distribution to clients. 11

---

---

---

---

---

---

---

---

**The Consultation Call**

1. Motivates the owner(s) to act.
2. 30-45 minute conference call.
3. 3 parts: advisor introduction, owner speaks, valuation consultant speaks.
4. Informational not "sales-y". Goal: 'that was really helpful'.

5/3/2011 For producer use only. Not for distribution to clients. 12

---

---

---

---

---

---

---

---

**1. Advisor Introduction**

1. Sets the stage.
2. Example: first-timer. (1:33) 
3. Example: seasoned pro. (4:17) 

5/3/2011 For producer use only. Not for distribution to clients. 13

---

---

---

---

---

---

---

---

**2. Owner Speaks**

VC: "Tell me how business got started, and how it grew to be what it is today."

Example (4:02) 

5/3/2011 For producer use only. Not for distribution to clients. 14

---

---

---

---

---

---

---

---

**3. Valuation Consultant Speaks**

1. Pivot .
  - o Example (3:24) 
2. Wrap-up.
  - o Example (0:58) 

5/3/2011 For producer use only. Not for distribution to clients. 15

---

---

---

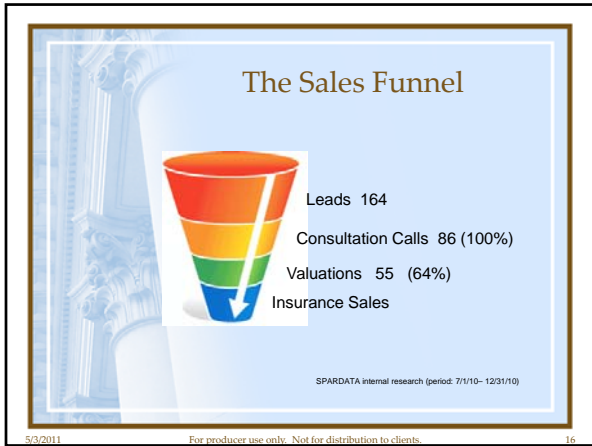
---

---

---

---

---



---

---

---

---

---

---

---

---

- 
- Curriculum
1. The question nobody's asking
  2. Know what they've got
  3. Responding to concerns
  4. Grow what they've got
  5. Know their exit options
  6. Starting the conversation
  7. Centers of influence

---

---

---

---

---

---

---

---