

Your Business Matters

January 2020

New Year, New Laws

Massive Changes to Florida's Business Corporation Act

The new year is here, and it's brought plenty of change to business owners here in Florida. With surprisingly little fanfare, significant changes to the Florida Business Corporation Act (FBCA) took effect on Jan. 1, 2020. On the whole, these new statutes provided much-needed updates to existing laws but also introduced new terms, conditions, and regulations all business owners and advisors should be aware of.

Now, the FBCA hasn't had a major revision since 1989, a full two years before the launch of "America Online." A lot has changed in the ways we do business since the "you've got mail" days, from video calls to digital signatures, so the revised act had a lot of ground to cover — more than I can summarize in this humble newsletter. For that reason, we're holding free seminars on Jan. 15 and 16 where we'll outline the revisions in depth. Here, though, I have put together an overview of some of the critical changes to give you a taste of the overall scope of the modifications.

New Definitions

As part of the effort to modernize the FBCA, several new definitions have been added, and others have been updated significantly from their 20th-century counterparts. For example, the revisions now use the term "authorized entity" to designate what entities are allowed to serve as registered agents of

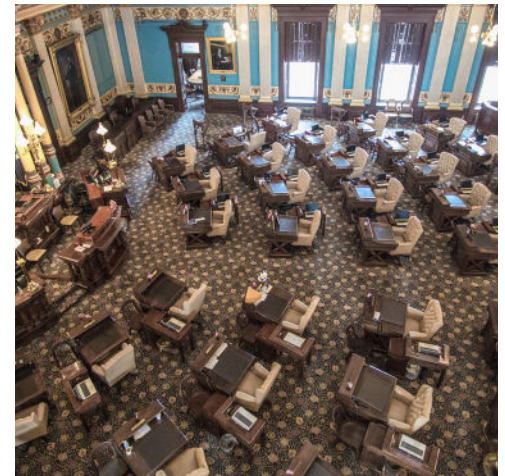
corporations. The concept of "qualified directors" is another new addition, referring to who is a truly independent director for the purposes of a derivative action or conflict of interest. "Insolvent," while an old term, has been modified to include a balance sheet test.

Naming Requirements

Not all the updates coming in 2020 are wholly new — the changes made to entity naming requirements actually contain a throwback to the 1990s. Specifically, the ability to reserve a name for a corporation before formation has been brought back. Names can be reserved for up to 120 days, making it easier for entrepreneurs to lock in the brand they want without having to rush to file. The restrictions on names being "distinguishable on the record" have also been relaxed with separate abbreviations of the same root word now being seen as legally distinct. For example, "FL Candy Company" and "FLA Candy Company" could now both exist as distinguishable names.

Shareholders Agreements

One of the most significant changes to the FBCA has to do with shareholder agreements. In fact, an entirely new subsection has been added to the act to address the modern realities of doing business, including sections on remote conferencing and reimbursement for the solicitation of proxies. The upshot is that virtually *all corporations* will need



to review and update their shareholder agreements to account for these new provisions.

Essentially, this is a *major* "software update" for corporations in Florida, which will require them to review and update their bylaws, shareholder agreements, and other legal arrangements so they comply with the new system. Both business owners and advisors need to have a comprehensive understanding of these changes. To that end, I'll be doing two free seminars on Jan. 15 and 16 to explain the updates in detail. Use the URL below to register and prepare yourself and your business for a successful future.

Sign up here: <http://bit.ly/corp-seminar>

Looking forward to seeing you,

-Ed Alexander

THROW AWAY YOUR RESOLUTIONS

And Set Alternative Goals for the New Year

At the start of each new year, about half of all Americans set at least one New Year's resolution, a promise to themselves that they *will* thrive in the coming year. Unfortunately, research from YouGov Omnibus, an international market research firm, found that only 1 in 5 Americans stuck to their resolutions. The fallibility of New Year's resolutions is why few successful CEOs or leaders bother making them.

Around this time of year, plenty of articles pop up with hot takes like, "Don't set New Year's resolutions; *make* goals instead!" Unfortunately, if you haven't been making goals already, you've likely been setting yourself up for failure. Setting goals, achieving them, and making new ones should be a habit all year long, not just something you do on Jan. 1. The start of a new year is still a great time to reflect and strategize, but rather than fall on an old cliché, take a page from two of the most successful people in business.

Reflect on 2019 with Tim Ferriss.

For decades, entrepreneur and best-selling author Tim Ferriss made New Year's resolutions every year. Then, he developed a better strategy. "I have found 'past year reviews' (PYR) more informed, valuable, and actionable than half-blindly looking forward with broad resolutions," Ferriss said in a 2018 blog post.

At the start of each year, Ferriss spends an hour going through his calendar from the past 12 months and making a note of every person, activity, or commitment that sparked the strongest emotions, both positive and negative. The most positive events get rescheduled immediately for the new year. Meanwhile, the negative ones get put on a "Not-To-Do List" and hung up where Ferriss can see them.

Pick a word of the year with Melinda Gates.

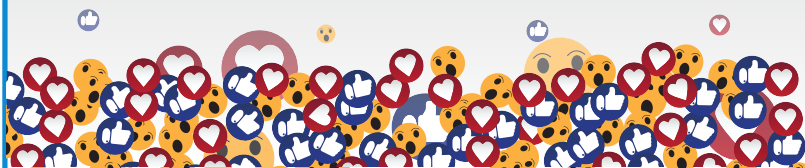
"I do believe in starting the new year with new resolve," says Melinda Gates, co-founder of the Bill & Melinda Gates Foundation, "but instead of adopting a resolution, I choose a word of the year — a word that encapsulates my aspirations for the 12 months ahead."

Gates says that words like "spacious" or "grace" have helped her center herself and serve as a reminder about what she really wants to focus on. In 2019, Gates chose the word "shine," stating that, "It's a reminder for all of us to turn on the lights inside of us, lift each other up, and shine together."



3 ESSENTIAL TIPS FOR USING FACEBOOK LIVE

And Making Your Broadcast a Success



Facebook Live has been available to Facebook users for years now, but many business owners still haven't taken advantage of this powerful customer engagement resource. Essentially, this technology gives users the ability to broadcast live from their Facebook account. For businesses, a gold mine of opportunity is opened to connect with customers and prospects in real time. Some companies utilize it for product launches, rebranding, general announcements, or directly engaging with potential customers. That said, a poorly executed broadcast can leave you with more issues than you started with. With that in mind, here are some essential tips to ensure your Facebook Live videos strengthen your marketing instead of weaken it.

1. Record for at least 10 minutes.

If you set out to broadcast for 45 seconds, your content isn't going to reach anyone in your target audience. A good rule of thumb is to create enough content so that your event reaches at least 10 minutes. With an average broadcast time of 10 minutes, your audience will have more opportunity to see your content, and you'll reach the highest number of people possible.

2. Prioritize good production quality.

You don't need to be a professional videographer to develop quality video content, but a poor broadcast could damage your brand. For example, your viewers will be distracted if you use an unsteady camera, so invest in equipment to keep your broadcast steady, like a tripod. In addition, make sure your environment is completely quiet so your audience can focus on your content without hindrance. If you plan on having more than one person in the video, use microphones to ensure your audience can hear you.

3. Engage with the comment section.

You could be alienating the audience you're trying to engage by failing to respond to questions in the comment feed. Facebook Live isn't just about broadcasting yourself; it's also about communicating with your viewers directly to develop relationships with them. And as an added bonus, viewers' comments can give you valuable feedback and consumer insights. It takes effort, but putting in the time to respond is well worth it to show you care about your audience's opinions.

These tips only scratch the surface of making your Facebook Live event a success, but they offer a good starting point. Before you dive in, know that Facebook's platform changes periodically, so be sure to test Facebook Live on your personal page to familiarize yourself with the updated format. And to stay up to date on all of Facebook's updates, check out their new newsroom at [Newsroom.FB.com](https://www.facebook.com/newsroom).

Jump-Start Your Business

With Eric Ries' 'The Lean Startup'

After reading just a few pages, it's easy to see why everyone raves about Eric Ries' invaluable manual "The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses." Ries is a fantastic writer, but two aspects of his writing style separate him from the pack of typical business writers and keep you turning pages: He is intellectually honest and cheerful about his business insights.

Eric takes a common notion in business — "fail fast, succeed fast" — and breaks it down into a system that works for businesses and keeps consumers happy. "The Lean Startup" recommends the use of a minimum viable product, or MVP, to gauge demand before you embark on major product development. Forbes describes an MVP as "a product with only a basic set of features, enough to capture the attention of early adopters and make your solution unique." If you jump into building the best product possible before measuring what your consumers actually need, you risk wasting a lot of time. Market research can tell you a lot, but MVPs can tell you even more. Plus, if your initial rollout is successful, you can respond quickly to consumer feedback and tailor your final product to specific needs.

Throughout his book, Ries emphasizes the importance of consumer feedback for the success of your business, but he also warns against putting any real value in vanity metrics, which TechCrunch describes as data points, "like registered users, downloads, and raw page views." Anyone



can generate immediate hype for a product, but it's another thing to maintain constant engagement and experience growth of consumer interest. With a good MVP and continued improvement of your service or product, your business will see that growth and also retain customers.

Ries' guidance does not end with MVPs and vanity metrics; here are some other key takeaways that will keep you on the lean startup path when it's most daunting.

"It's the boring stuff that matters most."

"Remember if we're building something that nobody wants, it doesn't much matter if we're doing it on time and on budget."

"Customers don't care how much time something takes to build. They care only if it serves their needs."

In the epilogue, Eric's intellectual honesty shines; he readily admits that some readers may take his theories as a means to justify their past business actions. But he encourages everyone to use his book instead as a guide for what they will do next in their entrepreneurial journey.

HAVE A *Laugh*



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4. Start the 2020s Off Right With Good Sales Goals

Get Your Sales Goals Right the First Time

And Make 2020 Your Best Year Yet

No matter what industry you are in, you can't build a successful business without sales. Making a sale establishes a relationship, almost always yields a profit, and lays the foundation for future growth. When your sales fall flat and you fail to meet goals — or even set them — your business suffers negative consequences. As we head into a new decade, follow these suggestions for short- and long-term goals to guarantee your sales success.

Think Like Goldilocks

The problem with goal-setting is many people aim too low or shoot too high. Instead, you need your sales goals to be just right. The key is to find a goal that is challenging for your team to reach, but also attainable. Here's one way to go about creating that Goldilocks goal: Look at the number of sales you made each month for the past two years. Identify the months with the highest and lowest sales and find the average of those numbers. Use this figure as the starting point.

Keep It Personal

There's no hard-and-fast rule on setting sales goals other than this: The goals need to fit your

business. For car dealerships, for example, setting individual goals for your employees may be ideal. For physical therapy clinics and chiropractors, however, it may be best to develop company-wide goals. Regardless of your industry, you must make sure sales goals support the overall growth goal of *your* business and keep employees engaged and challenged.

Shift, Shift, Shift

Think about the beginning of 2010. Are you the same person today as you were then? There's a good chance you are not, which means you've set different goals for yourself each year to reflect your growth. The same principle applies to business. It's perfectly okay to shift your sales expectations and end results to better suit your current success and what you need — no matter what you did in previous years. Be flexible and make changes in your sales goals as you see fit.

To start off the 2020s strong, you need to create attainable goals that improve your business. Don't model your goals after another business that seems to be thriving; focus on what *you* need to achieve success! It all starts with setting the right goals to get there.

