

YOUR BUSINESS MATTERS™

Enjoy Your Business and Your Life

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Business Attorney

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HOW WE CAN HELP

Alexander Business Law helps professional services firms and consultancies scale and exit their practices so they can start enjoying their lives and stop doing work they no longer want to do. Attorney and entrepreneur Ed Alexander has helped thousands of business owners achieve freedom and wealth with profitable, rock-solid exit strategies. If you would like to work with Alexander Business Law to achieve the same results for you, contact us at **(407) 649-7777** or **Kim@AlexanderBusinessLaw.com**.

FREE DOWNLOAD: Guide to Partnerships & Partnership Agreements

In this valuable guide, learn the secrets to building strong business partnerships and the key role partnership agreements play in the success of a multi-owner business. To get your FREE copy, call **(407) 649-7777** or go to **TheGuideToPartnerships.com**.



What Does a RECESSION Mean for Your BUSINESS EXIT?

By Ed Alexander

A couple of weeks ago, a speaker at the Business Brokers of Florida meeting discussed operating a business brokerage during a recession.

His talk got me thinking about the issue from the view of the business seller. What are some key issues business owners need to know about selling during a recession? This is especially important for those thinking of selling anytime in the next five (5) years.

First, business values drop during a recession. This is because multiples – the mechanism for pricing a business based on cash flow or sales – go down. Multiples drop for many reasons including less buyers looking for deals and buyers being unwilling to take on as much risk.

Second, banks tighten lending during a recession resulting in lower approval rates. Often, banks refuse to lend to entire business categories or require greater cash flow to debt service. This means that there's less cash at the closing and sellers have to 'carry' a larger portion (or all) of the purchase price in a promissory note.

Third, the time to sell the business lengthens. Because buyers are fearful, they don't enter the market at all, choosing instead to 'hunker down,' and stick with the job or business they currently have until the storm blows over. And those that are in the market expect a deal.

Finally, businesses that have excellent records, especially financial records, a history of steady growth, long-term customer relationships, and that provide 'essential' products or services will always do well.

Right now, multiples are high, banks are lending, and there are plenty of buyers in the market. So, if you're considering an exit or transition in the near term, it might be worthwhile to move up your time horizon and start the process now.

If you'd like to discuss an exit or transition for your business, give us a call at (407) 649-7777. We can help you map out a plan and timeline to achieve your goals. □

- Ed

WORKING *with* Your SPOUSE

How do Ed and Faith work together every day and stay happily married for 37 years and counting? Read this month's article to find out.

Balancing Strengths and Weaknesses

Ed: Faith has been the firm manager at Alexander Business Law since 2005. In addition to her management role, she leads the finance and HR departments. Though we have different personalities and naturally approach things in different ways, our fundamental views are the same. Faith complements rather than duplicates me. For example, I come up with a lot of ideas for the firm. Faith, however, is grounded (she'd say realistic). So, she's focused on what can actually be implemented. It's frustrating for me at times, and we often squabble about her 'killing' my fantastic ideas. But we're able to discuss almost all issues without there being an argument (and, once my ego gets over it, she's usually right on point). On the other hand, we're both very focused on the numbers as the way to operate the firm. She is fantastic with financial matters, so we have all the data we need to view the past and plan the future.

Faith: Ed and I actually enjoy spending time together. It's nice to have someone to talk to about your workday that understands your issues and accomplishments. We share the same goals at the firm: helping our clients with their businesses, making the office a pleasant place to work, and growing the firm. Of course, just like any marriage, some days are easier than others. We are both very good at separating business life from home life. And that makes all the difference.

Do you work with your spouse? Tell us about it! Send your questions, comments, or experience to Faith@AlexanderBusinessLaw.com. We love to hear from you. □



Ed and Faith enjoying drinks in Napa Valley, California

MOVIE TRIVIA CONTEST

Win a \$25 Starbucks Gift Card!

Our family's favorite movie is *Back to the Future*. There are a lot of great messages in the movie, and we love the scenes from 1955 in the small town where the characters live.

Name the fictional town in which the movie *Back to the Future* took place.

The first two people to respond with the name of this fictional town will each receive a \$25 Starbucks gift card.

Email Faith@AlexanderBusinessLaw.com □



WHAT OTHERS ARE SAYING ABOUT ALEXANDER BUSINESS LAW*



"Hitting 'The Easy Button' With Alexander Business Law Provided A Better Overall Outcome"

"I was referred to Alexander Business Law by a friend, and it was a GREAT experience. Everything was 'turn key' and very easy. Through the process of creating my new business, they brought up many great concerns that I hadn't considered, and so even though I could've done it cheaper on my own (with a great deal of digging and learning), hitting 'the easy button' with Alexander Business Law provided a better overall outcome. Thanks!"

– Matt Steinberg

OUR FAVORITE PLACES

SUMMER FUN When it's 95° Outside

By Ed Alexander

I love getting outside and, when the weather is hot and humidity is at 100%, one of my favorite activities is kayaking. Florida is perfect for kayaking – lots of waterways and shorelines, and perfect weather.

Kayaking is a fantastic way to clear your mind and enjoy the world. The rhythmic motion of paddling, the sound of the water lapping on the hull, the current and wave action, and the wildlife combine to make it mentally relaxing. When my mind is full of things I have to do, a day on the kayak enables me to focus and be more productive at work.

Some of my favorite kayaking places in Florida are:

- **Rock Springs Run (launch at King's Landing),**
- **Honeymoon and Caladesi Island State Parks**



Taking my kayak to beautiful Caladesi Island.

- **Suwannee River (anywhere from White Springs to Suwannee River State Park),**
- **Juniper Spring Run in Ocala National Forest, and**
- **Sebastian Inlet State Park.**

The picture is my lunch stop on a recent trip to Caladesi, looking at the Gulf of Mexico. □

THANK YOU FOR YOUR REFERRALS!

This month, we'd like to thank Peggy Hoyt and Ken Hazouri for believing we are the right firm to help their friends and business colleagues. Your support gives us the ability to reach more individuals and make a positive difference in their lives. If we can help anyone you know that needs our services, please send them our way!



A Personal Message From Ed Alexander

Welcome to the new design for *Your Business Matters!* With the new design we're adding articles with immediately useable business information. You'll see case studies – with names and certain details changed to protect the innocent – and current issues articles. Plus, we'll still have some of the fan favorites. I'm excited about it and hope you will be too.

Secrets to the better and less risky path to business ownership—all in one place!

THE GUIDE TO BUYING A BUSINESS A LEGAL INSIDER'S PLAYBOOK TO BUYING A PROFITABLE AND SUCCESSFUL BUSINESS

Every year entrepreneurs and business owners start new businesses in the hopes of achieving the American Dream. But over 50% of those startups will fail within 5 years, and 90% will be gone within 10 years.

The good news is that there is a better and less risky path to business ownership. Existing businesses have proven their market viability. In fact, SBA studies show that 90-95% of business buyers are still in business after 5 years. By opting to purchase an existing business, you can avoid the headaches and heartaches of a startup and still achieve the financial and personal benefits of business ownership.

This book is your go-to resource to learn why buying a business is your path to success and financial freedom.

TO GET YOUR FREE COPY, CALL (407) 649-7777 OR GO TO WWW.GUIDETOBUYINGABIZ.COM

FREE DOWNLOAD!

