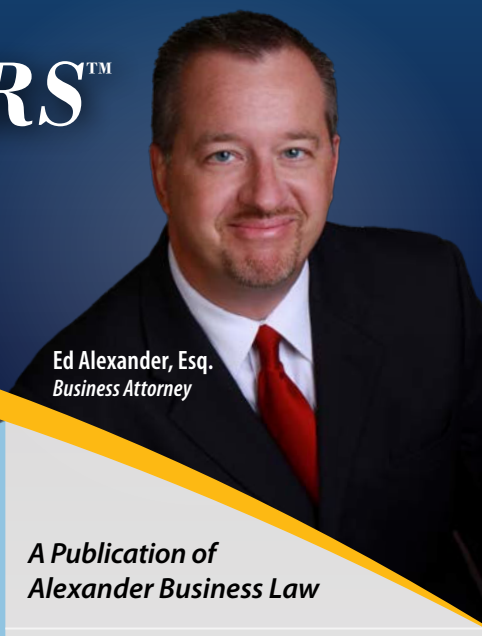
YOUR BUSINESS *MATTERS*™

Enjoy Your Business and Your Life



Ed Alexander, Esq.
Business Attorney

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The Hidden Destroyer *of* BUSINESS VALUE

By Ed Alexander

After helping professionals and business owners exit their firms over the past 29 years, I've found there is one thing that, above all, can destroy firm value. This thing is often hidden to the owner, but something that every buyer looks for. Most people don't appreciate the impact this thing has until it's too late – when it strikes and there's no turning back.

What is it? . . . Risk.

You're probably thinking: "Come on. I've got lots of insurance policies and I'm careful."

But here's the thing, risk exists in all business relationships and transactions. So, while you can buy insurance to transfer some risk to an insurance company, there's so much more that can be done to protect your firm.

Firm value is a function of cash flow and the risk of it continuing into the future. You could have a very profitable firm that isn't worth much because there's a serious question whether your customers will continue to buy, or your team will remain in place. Or, perhaps, one customer represents too much of the firm's gross revenue and the loss of this customer would be disastrous.

We humans are very good at seeing risk staring us in the face when it's a lion across the field. But we usually don't see hidden risks. For example, many people fear flying but easily jump into a car traveling on the interstate. Yet your risk of dying in any year in a plane crash is one in 11 million and one in 103 in a car crash - 107,000 times greater.

One crucial way you can improve firm value is to reduce common uninsurable risks, such as:

- Unreasonable terms in contracts,
- Contracts that can be terminated by customers at will,
- Employees stealing your firm's trade secrets, customers, or other employees,
- Lease terms that give the landlord the unfettered right to reject your buyer or jack up the lease rate,
- A partner dispute,
- Litigation in a far away location or that seeks extraordinary damages, or
- Contract breaches arising from misunderstood terms or improper contract administration.

Our Outside General Counsel Program is designed to help you reduce the risk in your firm and increase its value. Call us at 407-649-7777 if you'd like to learn more about how this program may be able to help you improve your firm and its value. □

– Ed

FREE DOWNLOAD:

The Florida Business Contracts Handbook

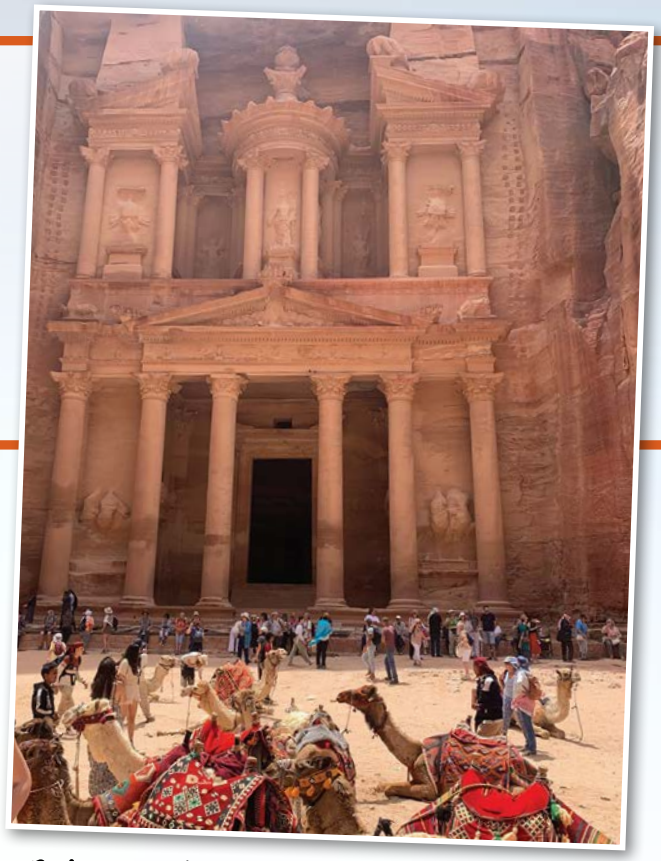
This handbook teaches you the differences between Florida business entities and eliminates the challenge when trying to decide which entity to choose for your business. To get your FREE copy, call **(407) 649-7777** or go to **www.AlexanderBusinessLaw.com /Florida-Business-Contracts-Handbook**

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**.

MED, DEAD, RED: VISITING ISRAEL AND JORDAN

By Faith Alexander



Petra, in Jordan's southwestern desert was well worth the four mile hike.

This summer Ed and I took a 12-night tour throughout Israel with an added trip to one of the 7 Wonders of the World, Petra. It was a packed tour, every day seeing new sights better than the last.

We traveled from the old city of Jerusalem to the Golan Heights, Tel Aviv, Jaffe, Haifa, the West Bank, all the way south to Eilat, and then into Jordan. We experienced the beautiful Mediterranean Sea from the coast of Tel Aviv, floated in the Dead Sea, made memories at the Red Sea at the Gulf of Aqaba near Eilat where one side is Israel, and the other side is Jordan, and sailed on the Sea of Galilee.

For me the most amazing historical site was Masada. The last stronghold of the Jewish freedom fighters against the Roman army. On the mountain platform are the remains of magnificent palaces built by King Herod. The mountain in the Judean desert stands 1477 ft high and the platform top is 2133 ft long by 985 ft wide. Masada is an architectural gem on a global scale; the preservation of a fortress-palace in the heart of the desert. Ed climbed Masada with a few other courageous friends. I took the cable car up. 😉

Petra, in Jordan's southwestern desert was worth the two mile hike down the narrow canyon called the Al Siq and the two mile hike back up in 90-degree weather. It contains tombs and temples carved into pink sandstone cliffs and the famous 148 ft high structure called The Treasury.

We had a busy, exhausting, incredible vacation. Nonetheless, for Ed, a vacation would not be complete without a bike ride or two. Check out his story about what it was like cycling in Israel. □

THANK YOU FOR YOUR REFERRALS!

This month, we'd like to thank **Mike AmRhein** for believing we are the right firm to help his 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!

THE ALEXANDER BUSINESS LAW
SCALE to EXIT Program™

Call 407-649-7777 to schedule a call with Ed Alexander

Discover how you can stop doing work you don't like, and start enjoying your business and your life.

JERUSALEM AND TEL AVIV: Biking ISRAEL

By Ed Alexander

As you saw in Faith's Med, Dead, Red article, we spent a couple of weeks touring Israel in May. While in Jerusalem and Tel Aviv, I rented bikes and toured parts of each city at 13 miles per hour.

For me the bike is a machine of exploration. It enables me to see much more than I would walking and not be isolated inside the metal box of a car or bus.

For example, Jerusalem is VERY hilly – quite different from my usual Central Florida routes. You simply don't appreciate how hilly a place is when you can just press the gas and go. Pedaling the hills, on the other hand, is understanding them. I was always biking up or coasting down in Jerusalem.

The rental shop in Jerusalem delivered the bike to our hotel. The shop owner was very helpful, suggesting a bike path that would take me out of the city and through a 2km tunnel.

Along the way I saw my first glimpse of the West Bank wall and a sign advising drivers of a checkpoint ahead. I passed the zoo, various parks, and a mall, all outside the normal tourist areas, with people going about their normal activities. I saw the real Jerusalem and got a feeling for this 'old' city.

The tunnel was fascinating because of its length and size. Plus, it was much cooler than the 90+ degree weather along the trail. Later, I learned it was a converted sewage tunnel!

Tel Aviv was very different from Jerusalem. It's a modern city with a decidedly younger population and vibe. It was also a much easier ride, following relatively flat paths along the Mediterranean and through the city. I watched the shoreline change from tourist area to locals' beaches, and eventually made my way into a residential area of the city.

My bike rides exploring Jerusalem and Tel Aviv gave me a deeper understanding of life in Israel.

Tel Aviv could have been a city in the U.S. I had lunch – a burger and a beer – at a café just steps from the beach while 'people watching' and felt that I could have been in South Florida.

My rides in Israel got me out of the tourist areas to see where the locals lived. For a short time, I saw the daily life of each city and got a feel for them that wouldn't have come from any tour. If you get a chance to take a ride on your next vacation, I encourage you to do it. You'll come away with a completely different feeling for that place. □

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* *Not all results are provided and not all clients have provided testimonials, the results are not necessarily representative of results obtained by the lawyer, and a prospective client's individual facts and circumstances may differ from the matter in which the results and the testimonials are provided.*

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A Personal Message From Ed Alexander

To (hopefully) get away from the oppressive August Florida heat and get in some biking, later this month I'll be doing a tour in upstate New York along the Erie Canalway and visiting Faith's cousins on Long Island. I'll let you know how the trip goes in the next issue.

WHAT OTHERS ARE SAYING ABOUT ALEXANDER BUSINESS LAW*

"Thanks for all of your hard work and thoughtful guidance! Valbridge appreciates you, especially me!!!"

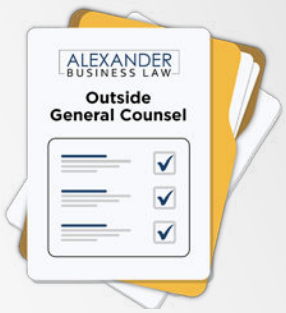
– Richard Armalavage, CEO
Valbridge Property Advisors, Inc.
Outside General Counsel Client

Should Your Company Engage Outside General Counsel?

Outside general counsel acts as your business advisor, providing you with guidance, education, and advice to help you create well thought out, documented, and profitable business relationships, and develop short and long-term strategies to meet your business goals and address legal risks.

Benefits of Our Outside General Counsel Program Include:

- ✓ **Long Term Support to Scale Your Business and Solve Business Legal Problems.** Integrated legal support that is based on an understanding of your business goals, practices, and arrangements. We take a holistic approach because we know where you're at and want to go. We tailor our advice to your situation because we understand your business and its history.
- ✓ **Identification of Risks and Implementation of Corrective Actions.** Legal issues are addressed so you can have peace of mind and focus on the big picture of growing your business.
- ✓ **Problem Prevention.** Outside general counsel relationships help mitigate risks as they arise – problems are addressed early when they are typically easier and less expensive to solve. Many legal problems can be avoided by consistent communication with an attorney who is readily accessible, understands your business' legal situation, and can provide proactive advice to minimize the extent of legal problems.
- ✓ **Time and Money Savings.** A predictable monthly investment that can be budgeted, rather than unpredictable hourly rate invoices.



Apply Today to Join the ABL Outside General Counsel Program

Alexander Business Law is accepting a limited number of applications from qualified businesses to join this unique program. To see if your business qualifies, call us at **407-649-7777**. We will discuss your business needs and decide together if membership is right for you.