



Better Benefits.  
Better Service.  
Better Results.  
Better Business Brokerage, the Better  
choice for bringing Business Buyers and  
Sellers together.

3540 Crain Highway, PMB340  
Bowie, MD 20716  
[www.BetterBusinessBrokerage.com](http://www.BetterBusinessBrokerage.com)

Office: 301-576-6406  
Toll Free: 877-268-9062  
Fax: 888-240-2176

If you are considering Buying, or Selling your  
Business, I would like the opportunity to discuss  
it with you.

**Free Comprehensive Valuation report on your  
Business, when you list with us!**

Your confidentiality is assured.

**BetterBusinessBrokerage, LLC**



*Better Benefits, Better Service, Better Results. Better Business Brokerage, the Better choice for bringing Buyers and Sellers together.*

The principal partners of Better Business Brokerage, LLC have over 35 years combined experience in Sales, Business Management, Engineering, Technology, Computers, and company ownership. **Better Business Brokerage, LLC's staff**, has operated effectively on senior management teams, with start-ups, as well as with middle-market size, privately held companies, and Fortune 500 corporations.

Our Team of highly trained professionals have worked successfully with business owners in management consulting, technology services consulting, the Internet, manufacturing, service industry, publishing/printing services, retail, specialty contracting, construction and wholesale distribution industries, just to name a few. We provide a broad perspective of the overall business environment while simultaneously focusing in on specific industry trends thus allowing our clients detailed reports and experienced representatives accomplishing **Better Results** for your business needs.

### **Services Rendered Include but are not limited to:**

**Confidential valuation service:** I can provide assistance in determining the approximate current fair market value of your Maryland business for the purpose of current or future sale. Professional business valuation Software, formulas, market comparisons, and my in depth experience with the Maryland market place are all used as guides to determine a realistic and supportable offering price. Business brokers have consistently produced higher prices and smoother sales when one of these reports is presented as part of the business offering package than similar business produced that did not have the benefit of a comprehensive valuation report.

**FREE Comprehensive Valuation report on your Business,** when I list your business!

**Innovative marketing:** Selling a business is a process. Whether it is via the Internet, newspapers, trade publications, or through my numerous professional affiliations, I have the resources, creativity, and experience to effectively market your Maryland business while at the same time maintaining the highest level of confidentiality possible.

**Maximum exposure:** My affiliation with the World's largest Association of Business brokers, the International Business Brokers Association (IBBA), coupled with my contacts with other reputable professional organizations and brokers, will give your business maximum confidential exposure to the largest buyer data base available in Maryland. Today, the IBBA has more than 1,300 cooperative business brokers and intermediaries across the World!

**No marketing fees:** I charge no "Up Front" fees to confidentially market your business for sale. I work on a commission basis only. We have Better rates for fees charged for our services, which mean Better Benefits for you the Seller.

***In short, and I only get paid if I find a qualified buyer for your business.***

**Maximum Internet exposure:** Without a doubt, the Internet has emerged as the most powerful and effective tool available to business brokers for confidentially marketing small businesses for sale. I can assure you that no business broker in Maryland leverages the strengths of the Internet more than me to find qualified buyers for my clients. I also place all my listings on four National fee based web sites that are recognized as the best and most popular in the business. These sites give my listings vast exposure to individual and corporate buyers throughout the country who are considering relocating, or acquiring businesses in Maryland. All of these web sites receive top rankings by all the major search engines including: Yahoo, Google, MSN, AOL, Alta Vista, Lycos, and others.

**Confidentiality:** I understand and respect the confidential nature of selling a business. Unlike the sale of real estate, maintaining confidentiality among your employees, suppliers, customers, and direct competitors is a paramount concern. All advertisements are run in a confidential manner, never naming the business, its location, or other specific information. All inquiries are thoroughly screened. All prospective buyers are required to execute confidentiality agreements before they ever see your business, or receive any pertinent information about your business. I will work closely with you to make sure your comfort level is met or exceeded regarding protecting your confidentiality.

**Buyer qualification:** All prospective buyers are required to execute a confidentiality agreement and are screened for both business and financial capability before receiving any detailed information about your business. It is my job to separate the serious and qualified buyers from the mere "Tire Kickers & Non Risk Takers." By diligently qualifying and screening prospective buyers, I can save you valuable time and help maintain the highest level of confidentiality possible.

**Negotiation:** I guide the entire Business Sale process, and provide assistance to the seller in the process of negotiating the best possible price, terms, and conditions of a sale. This also includes the preparation of contracts and related documents. As a professional I can often help head off and resolve issues that may become potential deal breakers. I can also provide referrals to professional attorneys, accountants, and financial sources that specialize in business sales.

3540 Crain Highway, PMB 340  
Bowie, MD 20716  
www.BetterBusinessBrokerage.com

Office: 301-576-6406  
Toll Free: 877-268-9062  
Fax: 888-240-2176



Better Benefits, Better Service, Better Results. Better Business Brokerage, the Better choice for bringing Buyers and Sellers together.

### Why Sell Your Business?

When we talk with entrepreneurs concerning the prospect of the sale of their businesses, we are regularly asked the question, "Why should I sell my business when I could continue to operate the company myself and make just as much over the next five years and still have the business?" It's a valid question and it is our hope that the following will provide the prospective business seller with some solid food for thought.

There are good reasons that people sell successful businesses, which go well beyond the purely financial aspects. A few of the more familiar ones are....

- Lifestyle/retirement considerations
- To avoid having the business thrust onto an unqualified widow or children
- Need for additional capital; new markets need opening or a significant investment into new capital equipment is needed
- Burnout/boredom

From a purely financial standpoint, there may be good reasons for a sale.... even where the principal's current income is negatively affected. Sound financial planning calls for increased investment portfolio *diversification* as an individual nears retirement. The typical small business owner, however, normally has a *very undiversified portfolio*... often with as high as 80% - 90% of his or her **entire net worth** being tied-up in a single, high-risk asset.... the business! Prudence dictates that as the business owner matures, some portion of his/her discretionary capital should be invested in lower risk/return assets. Moreover, from a current income standpoint, the hold/sell comparison is not as favorably weighted to retention of the business, as the simple math in the first paragraph would seem to indicate.

Based upon industry experience, a purchase price of say \$660,000 (perhaps with some additional opportunity for earn-out bonuses) for the hypothetical Subchapter S Corporation addressed in this brochure may be realistic. And we have participated in numerous sales in that price range in our over thirty years of being a party to business merger/acquisition transactions. Looking only at earnings before interest and taxes (EBIT), it would appear that the seller could earn such a purchase price in four to five years of continued operation of the business. However, this simplistic analysis does not take into account several important factors, among which are:

1. Taxes. A 28% capital gains tax rate will likely apply on a sale versus a 39% - 50% tax rate (including state income taxes) on the profits of the business.
2. The *risk* that something could go wrong (economy downturn, market dynamics, etc.) and profits will not, in-fact, continue to grow as anticipated.
3. The potential mortality of the principal of the business.
4. The Company's need to retain funds for growth and to make additional capital expenditures in the future.

(Future Years)	Yr. 1	Yr. 2	Yr. 3	Yr. 4
Revenues	700,000	875,000	1,025,000	1,160,000
Gross Profits	250,000	280,000	365,000	425,000
Operating Income	12,500	7,500	75,000	200,000
Owner's Comp.	55,000	55,000	60,000	75,000
Adjusted EBIT	50,000	92,500	20,000	165,000

Taking into account only the tax issues and the need to retain growth capital, the comparison *is not clearly weighted to a hold strategy rather than a sale*, as reflected in the analysis set-forth below:

- ✓ \$660,000 = Buyout Offer
- ✓ \$475,200 = Estimated Net Proceeds After Taxes
- ✓ \$ 75,000 = Estimated Annual Gross Personal Income to Principal
- ✓ \$ 45,000 = Estimated Annual Net Income to Principal

Given the foregoing analysis, it would take **10 years** on an absolute dollar basis for the principal's total compensation from the business to equal the after-tax sales proceeds without counting yield on invested assets.

And it would take **50 years** on a present value basis discounted at 10% for principal's compensation to equal the sales proceeds.

The decision of whether or not to sell a profitable business is a big one.... quite possibly one of the biggest decisions one might make in one's lifetime. If that decision is made, however, we at Better Business Brokerage, LLC stand ready to put our expertise and long years of experience to work to get you the highest price and best terms possible for your company.

Call us to set-up a strictly confidential introductory meeting.

3540 Crain Highway, PMB 340  
Bowie, MD 20716  
www.BetterBusinessBrokerage.com

Office: 301-576-6406  
Toll Free: 877-268-9062  
Fax: 888-240-2176



Better Benefits, Better Service, Better Results. Better Business Brokerage, the Better choice for bringing Buyers and Sellers together.

Better Business Brokerage, LLC's is a member of the **International Business Brokers Association** ® (IBBA ®) and strongly supports its code of ethics. IBBA is the largest international non-profit association operating exclusively for the benefit of people and firms engaged in the various aspects of business brokerage, mergers and acquisitions.

**INTERNATIONAL BUSINESS BROKERS ASSOCIATION®**

---

401 North Michigan Avenue  
Suite 2200  
Chicago, Illinois 60611-4267

Voice: 888.686.IBBA (4222)  
Fax: 312.673.6599  
E-mail: [admin@ibba.org](mailto:admin@ibba.org)  
Web: [www.ibba.org](http://www.ibba.org)


Dear IBBA Member:

Welcome to the International Business Brokers Association! We are excited to have you participate and share your experiences and ideas with us. We are sure you will find IBBA a worthwhile investment. Composed of over 1200 business brokers and associates worldwide, IBBA offers programs and services to promote your business and help you to succeed in competing in the profession.

---

If you have any questions, or require further information on any of the materials or benefits listed above, please don't hesitate to contact us (888) 686-IBBA (4222), or via email at [admin@ibba.org](mailto:admin@ibba.org). This is your association, and we hope to see you become an active member for many years to come. Again, welcome to IBBA!

Sincerely,



Dan Hall, CBI  
IBBA Chairman

**IBBA** INTERNATIONAL BUSINESS BROKERS ASSOCIATION, INC.®

3540 Crain Highway, PMB 340  
Bowie, MD 20716  
[www.BetterBusinessBrokerage.com](http://www.BetterBusinessBrokerage.com)

Office: 301-576-6406  
Toll Free: 877-268-9062  
Fax: 888-240-2176

# Certification

HAVING SUCCESSFULLY COMPLETED WITH DISTINCTION THE REQUIREMENTS OF THE  
EXECUTIVE SEMINAR IN PROFESSIONAL BUSINESS BROKERAGE



*Pat Amodio*

HAS THEREBY EARNED THE DESIGNATION OF

**CERTIFIED BUSINESS BROKERAGE PROFESSIONAL**

TOGETHER WITH ALL OF THE RIGHTS AND PRIVILEGES APPERTAINING THERETO  
GIVEN THIS TWENTY-SIXTH DAY OF SEPTEMBER, 2005 BY

**BUSINESS CENTERS OF AMERICA**

*W. Denis O'Connell, President*

W. DENIS O'CONNELL, PRESIDENT