How to Prepare Yourself and Find the Right Business to Buy

You can't buy it if you can't find it!

Here's How We Do It

Dos, Don'ts & Profit Strategies

Ted J. Leverette

Checklist #1 (271 Topics)

How to Prepare Yourself and Find the Right Business to Buy

The Big Picture

Know What You Are Up Against

Deal Killers and Deal Killing for Business Buyers

Preparing to Buy a Business

Searching for Winners

Attributes of Dealmakers

(Checklist #2, 412 topics, in this document: How to Buy the Right Business the Right Way.)

Ted Leverette, The Original Business Buyer Advocate ®, founder of "Partner" On-Call Network, LLC shares this checklist with buyers searching for small and midsize businesses.

Use it for reminders of important things not to forget. Keep in mind the big picture. Drill down for detail. Google unfamiliar terms.

You can get an elaboration for everything on this checklist using this link: https://tinyurl.com/y8cuf8qu.

- Facts, tips, strategies, warnings and explanations.

This checklist may also be useful to stimulate your questions or comments if you privately communicate with Ted Leverette and/or participate in our Zoom group Q&A conferences.

Want to be sure you know enough?

Cut to the chase here: Searcher and Search Evaluation.

Learn more . . .

Ted Leverette enables buyers of small and midsize businesses to achieve more-profitable done deals sooner with less aggravation at lower cost. How? Read his how-to books. And then let him help you deploy our proven best practices for dealmaking.

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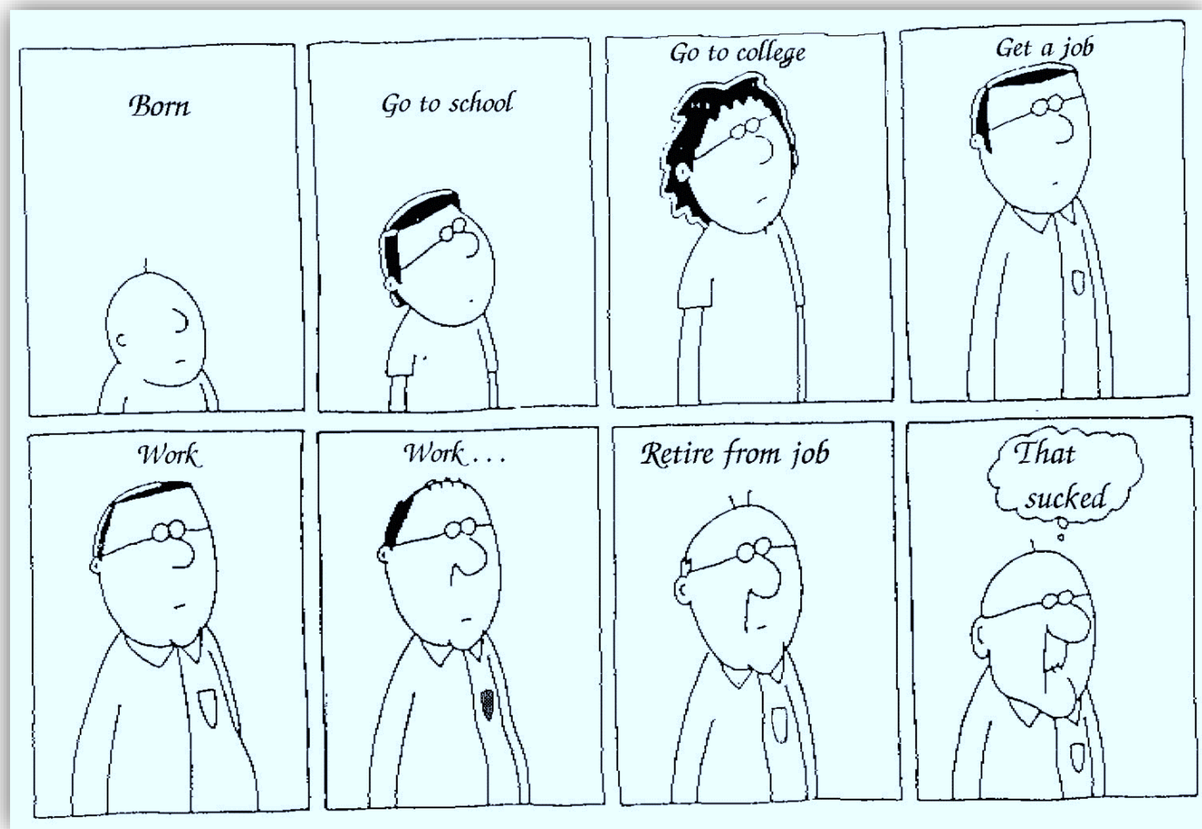
How to Prepare Yourself and Find the Right Business to Buy
How to Buy the Right Business the Right Way—Dos, Don'ts & Profit Strategies
How to Get ALL the Money You Want For Your Business Without Stealing It

What's Possible?



Can you hear it? Listen . . . It's happening all around you! It's the sighs of sorrow, the worried thoughts of people, millions of them, who are seeing their earning power, and perhaps their net worth, declining because of the Great Recession, inflation, taxation, loss of job, fear of losing their job, or their dead-end job. Going from upper to middle class or from middle class to lower middle class, or worse.

What does your future look like? It depends on the decisions you make today.

Right now, right this moment, you might say to yourself, "I have had it with what I've been doing. It hasn't gotten me what I want, where I want to be. As of this moment, this very moment, I have decided to do something about it. I am done waiting. I will put to use what I learn from Ted Leverette, immediately! I haven't given up! I want more!"

Okay, did you make that decision? If so, this checklist is for you. You have made the decision that empowers you to become what you want to be. And, like all decisions, you can change your mind. You can decide to go back to where you were before you made that decision. You know what's waiting for you there.

The Big Picture

Prepare Yourself

Search for Opportunities

Know What You Are Up Against

Are you a disgruntled business buyer?

Mistakes made during the process of buying a business.

Be suspicious of "Seller's Discretionary Earnings."

Alarming article by Business Brokerage Press.

The playing field, players, coaches, owners & competitors.

Beware of these pitches from sellers and brokers.

What about dealmaking during uncertain times?

Marketplace realities.

You are up against two kinds of competitors.

Suspicious or contentious sellers.

Why brokers and sellers don't follow up with buyers.

What sellers want to know—what they expect from you.

The unaware and the uninformed.

What lurks behind the Balance Sheet?

How business sellers manipulate buyers.

When business seller financing is a sham.

But what about buying a franchise?

What about franchise resales?

Things sellers do before you arrive on scene.

The playing field is tilted against buyers.

Phases and obstacles through which you must navigate.

How business buyers are blindsided by the seller's employees.

Interviewing the seller's employees.

Think about the perspective of sellers.

Apocalypse Underway for Retail Businesses

It's not a pretty picture for many sellers.

Who is selling whom?

Buyer competition is key—for sellers.

When competition is good . . . and not good . . . for you.

Inside the buyers' minds.

Good deal or a dumb deal?

Don't conflate goodwill with good luck.

Valuation nonsense from brokers and sellers.

Business brokers, other business transfer intermediaries.

My view of business brokers.

Business Buyer Advocates benefit business brokers.

Who is trying to sell to you?

Pricing businesses for sale.

Preparing the seller and the company for sale.

Merchandising businesses for sale.

Analysis of purchase offers.

Dealmaking.

You must pleasantly upset sellers.

Deal Killers and Deal Killing for Business Buyers

Sandbagging during dealmaking and post-closing.

Countering sandbagging.

24 things that can destroy worthwhile transactions.

Preparing to Buy a Business

You ARE buying a business if you are an employee.

Begin on the right foot.

Fueling buyer competition can burn you.

Procrastination costs you!

Buyer enthusiasm isn't always enough.

Buyer fever can kill you.

Art of the deal.

Collaboration, confrontation, assertion, aggression?

Ask yourself these questions about financial security.

Understand this about seller financing.

Is it smart to pay cash for a business?

Calculate your lost opportunity costs.

Don't proceed without goals.

Your experience doesn't have to limit what you can do.

Don't wait for Miss Perfect.

Assess marketplace reality.

Begin with realistic acquisition criteria.

What size of company fits you?

Your criteria relate to what you want to do in business.

Do it like the "creator" of the Monopoly game did.

If you already own a company, how about a merger?

Grow by mergers and acquisitions.

Timing and target selection are key.

Scout the other side . . . for the rest of the story.

Complexity shouldn't deter you from buying.

So, you have a financial angel, do you?

Thinking about being a "do-it-yourselfer"?

Assemble your acquisition team before searching.

Keep specialty advisors in their cage.

A man who is his own lawyer has a fool for a client.

Business brokers are not kidding.

Don't let anyone give you rose colored glasses.

Don't get duped by a red ribbon deal.

Consider all the steps before proceeding.

Don't buy a job.

Hoping for a performance miracle is just that—hoping.

Don't let losing your job cause you to lose your money.

Window-shopping for companies has its place.

"I'll know it when I see it" wastes time; doesn't work.

Know your actual costs of buying.

How to present your financial statement.

Don't be unnecessarily afraid.

Few people can save their way to financial security.

Getting out of the retirement rut.

Your pension may not be secure or enough.

Don't buy a loser.

Beware of fraudulent conveyance.

Company liquidations are more common than sales.

Don't be a bottom feeder.

Don't be naïve or appear to be naïve.

Don’t show and tell too much too soon.

Being a lone wolf is good for wolves, not for you.

Don’t buy on the Greater Fool Theory.

Don’t buy if you’re not qualified to buy and manage.

Sufficient competitive advantage?

Buy a business showing sustainable advantages.

Don’t buy on a bubble.

Don’t put the cart before the horse.

Don’t buy unverifiable “potential.”

Don’t be duped by window-dressing.

Don’t be raring to go with “business opportunities.”

“Investing” in pyramid schemes is foolish.

Don’t be a follower.

Don’t prematurely quit your job.

Don’t think you won’t sacrifice.

Pay attention to your family.

Don’t do this, but wish for it.

When doing nothing can be good for you.

Don’t make major purchases while looking for a business.

Don’t waste time on slowpokes.

Don’t put all your eggs in one basket.

What about non-financial seller omissions?

Don’t rely upon a handshake.

Have a realistic expectation of income.

The worst of times can be the best of times.

What you can do goes beyond what you know.

Assess your risk tolerance.

Computing your business-buying risk.

Flying blind can kill you.

Know why and when to count yourself out.

How big (and valuable) is your to-do list?

Masterminds belong on your team.

Don’t cheapen your ethics.

Business Buyer Advocates can save a great deal of grief.

Who else benefits from Business Buyer Advocates?

Yes-but—what?

Searching for Winners

Feasibility of finding a profitable business.

Kryptonite for business buyers weakens opportunity.

Where to find motivated sellers.

Call, write, advertise or network to find sellers?

Telephoning?

Writing?

Advertising?

Networking?

Reluctance is the top reason buyers can’t find winners.

Ask sellers this, first.

Building a list of companies matching your criteria.

Giving up is for losers.

Go shopping with a full toolbox of knowledge.

Brokers (and sellers) ask about the buyer’s cash.

Don't create conflicts-of-interest for business brokers.

Isn’t finding a terrific deal a long shot?

Know this about “off market” pocket listings.

Various people don’t want you to buy a business.

When middlemen get squeezed.

It’s not only about the company; it’s about you, too.

A better deal might not be around the corner.

Getting ahead of yourself is a good way to trip.

Proceed with a realistic, tentative acquisition timeline.

Control the time clock and the sequence of events.

Remember when your influence is most powerful.

Qualify the seller; determine worthiness /opportunity.

Is it for sale or is the seller testing its marketability?

Does the owner have a compelling reason to sell?

Owner's catastrophe signals your buying opportunity.

Company's catastrophe can be your buying opportunity.

First two questions to ask sellers.

The asking price should not scare you away.

Fish with a net, not a line.

Don't unnecessarily narrow your search.

Don't limit your search to readily available sellers.

Don't be wedded to a particular type of business.

Include the possibility of a partial ownership stake.

Consider winner businesses in lousy industries.

Lemmings join the crowd at their own peril.

Bidding during the seller's auction can cost you.

Don't let big dog competing buyers beat you.

Don't shop/buy via Internet; window-shopping is okay.

Shop beyond business brokers—way beyond.

Advertising puffery can snooker you.

Beware of online commentary and social messaging.

Don't be deceptive with sellers.

Don't do something stupid in a seller's market.

Don't be too quick to reject sellers.

Are your values consistent with the industry's values?

Biting off more than you can chew can choke you.

Don't be overcome by technology.

Investigate governmental influences.

Evaluate and seek info from trade associations.

Don't be lazy.

Paying attention pays.

Manage disputes; don't unnecessarily fear them.

Don't be insulting.

Don't denigrate business brokers.

How brokers flame bad buyers.

Too many buyers ignore these red flags.

The most important, and last, question buyers fail to ask.

Attributes of Dealmakers

100% focus and commitment to closing the deal.

Able to perceive opportunity where others do not.

Access the hidden market.

Accurate screening.

Acquisition criteria.

Alignment.

Analytical.

Avoid toxic people.

Aware.

Buy for the right reasons.

Brave.

Capable acquisition advisory team.

Clarity about intent.

Communication effectiveness.

Committed to achieve a done deal.

Compatibility insight.

Confident about fit.

Consistency.

Courageous.

Creativeness.

Credentials.

Decisive.

Desire.

Determination.

Doer.

Financially capable.

Future-focus.

Grit.

Guts!

Honesty.

Human relations abilities.

Hunting savvy.

Imperviousness to unhealthy buyer fever.

Industry competence.

Industry proficiency.

Integrity.

Intend to buy the right business the right way.

Intuition.

Investment in how-to info.

Keep in motion pending deals.

Know or are shown how to recognize a good business.

Know the product and industry.

Know about dealmaking.

Know their rights.

Learn how to buy a business.

Listen to the horse's mouth.

Mindset.

Motivation.

Negotiator.

Not a know-it-all.

Not dangerously impulsive.

Numbers and timing.

Pay the price.

Plan and act.

Prepared.

Relationships.

Resilience.

Resourceful.

Respect.

Self-confident.

Self-sufficient.

Supportive family and friends.

Tenacity.

Thorough.

Trust.

Why?

Willing and able to assume the demands.

Willing to give up to get.

Willing to learn.

Willing to proceed despite fear and Doubting Thomases.

Checklist #2 is next.

How to **Buy** the Right Business the Right Way.

How to Buy the Right Business the Right Way

Dos, Don'ts & Profit Strategies

Ted J. Leverette

The Original *Business Buyer Advocate* ®

Checklist #2 (412 Topics)

How to Buy the Right Business the Right Way

Due Diligence & Evaluating Companies

Pricing / Valuing the Company

Financing Your Acquisition and the Company

Negotiating and Dealmaking

Closing the Sale / Purchase

When You're in Charge

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Google unfamiliar terms. Or read the books from which these checklists are derived:

How to Prepare Yourself and Find the Right Business to Buy
How to Buy the Right Business the Right Way—Dos, Don'ts & Profit Strategies
How to Get ALL the Money You Want For Your Business Without Stealing It

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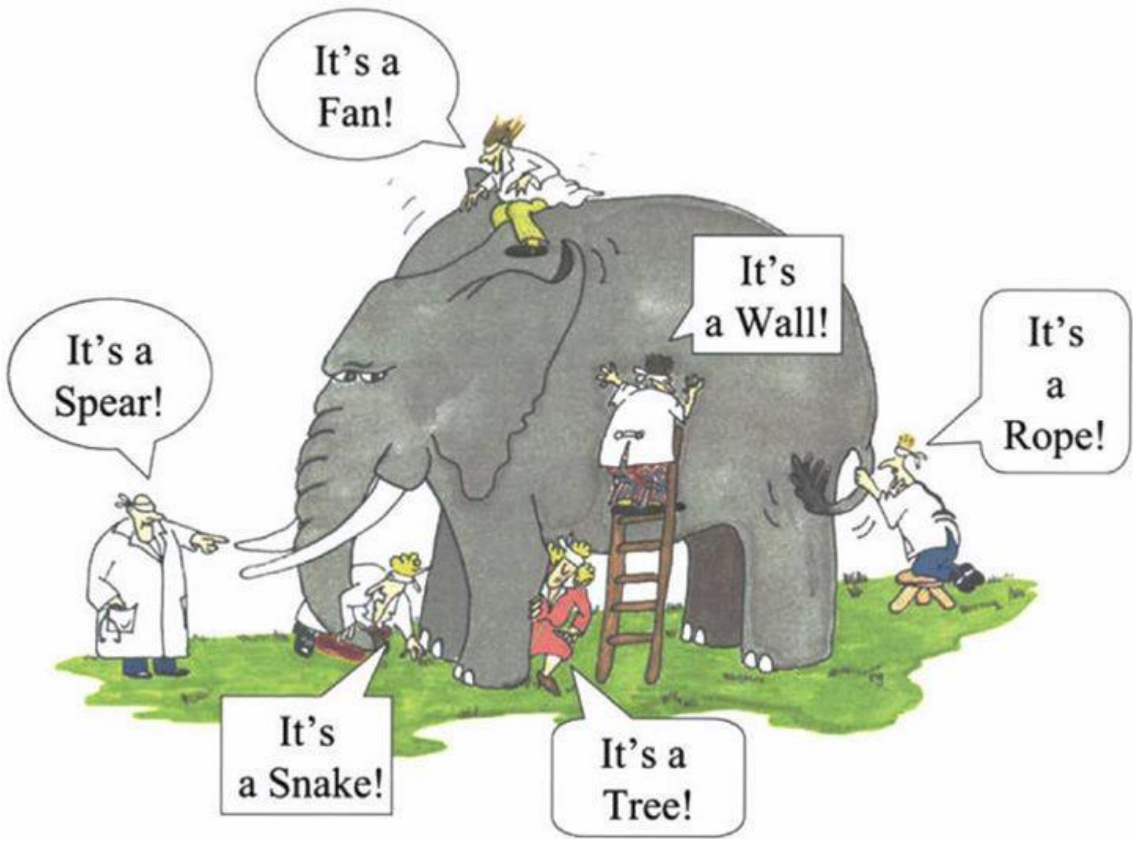

Six blind men encountered an elephant for the first time.

The first blind man touched the side of the elephant. "This is a wall!"

The second blind man touched the trunk of the elephant. "This is a snake!"

The third touched the tusk. "This is a spear!"

The fourth touched the leg. "This is a tree!"

The fifth touched the ear. "This is a fan!"

The sixth touched the tail. "This is a rope!"

An argument ensued,

each blind man thinking his own perception

of the elephant was correct.

A passerby, hearing the argument, exclaimed:

"All of you are right! All of you are wrong!"

This ancient parable teaches the folly of making conclusions about any complex thing without comprehending its entirety. When people, even experts, analyze one facet without considering all of its aspects and interrelationships, they can reach wrong, incomplete or misleading conclusions. Every link in the chain is vital to success.

Buy the Right Business the Right Way

Get facts, tips, strategies, warnings and explanations
for everything on **Checklist #2** here: https://tinyurl.com/y9lqa2j4

Due Diligence & Evaluating Companies

Definition and use of "due diligence."

Skimping on due diligence will cost you.

Begin with realistic, informed expectations / goals.

Don't start with the touchy issues.

Use checklists and data-gathering/analysis forms.

Don't be blind to industry standards.

Don't minimize industry (im)maturity.

Don't be blind to neighboring businesses.

Don't be limited to financial analysis.

Scrutinize C.E.L.B.S. ™

Don't waste time on a dumb deal.

Don't fall for the fallacy of passive ownership.

The "worth" myth can fool you.

Understand the power of the principal.

Don't trust the claim of "no selling required."

Cash flow doesn't trump profit.

Every rough diamond is not a potential gem.

Distressed businesses needn't turn you away.

Avoid being scammed.

Don't skip the background check; do it early.

Be a welcome guest in the seller's company.

Don't hire jerks or deal killers.

You, when beginning, don't have to know everything.

Don't undervalue the #2 employee.

Don't overestimate production capacity.

Buy a company that has been profitable at least 3 years.

Don't rely on representations by the sellers' advisors.

Step back to see the big picture.

Don't be bullied during due diligence.

Don't be fooled by cooked books.

Don't assume the company owns the assets you see.

Don't unknowingly be handcuffed.

Don't assume info won't be "stolen" by competitors.

Look for infringement of intellectual property.

Asking naive questions invites misdirection.

The business does not have to be number one.

Don't let your perception blind you.

Gather data before worrying about price or financing.

Don't accept generic contracts from anyone.

Don't expect synergies to occur.

Don't buy a declining company.

Be careful if sales to one customer exceed 10%.

Don't depend upon one product to sustain the company.

Timing is everything when buying into a fad.

Don't buy if customers are changing buying habits.

See a complete picture of customers.

Don't be afraid to ask customers: Why? Why not?

Conduct your own market test, before buying.

Test your competitors' market demand, too.

Don't ignore the reputations of key stakeholders.

Don't neglect to evaluate viability of key customers.

Don't confuse growth with profitability.

Don't fall prey to "he-said," "she-said."

Don't assume you can hold employees accountable.

Don't let product trump profit.

Don't like surprises?

Good news is not the entire story.

Don't be hobbled by an inadequate financial system.

Don't expect or assume you will see accurate records.

Important financial ratios to compute and compare.

Don't be too focused on the financials.

Verify required compliances.

Don't blithely accept add-backs.

Don't overlook unfunded or contingent liabilities.

Don't accept financial statements as-is.

Don't overly rely on the numbers.

Inadequate insurance increases your risk.

Use the best kind of budgeting.

Compute the break-even points.

Prepare realistic cash flow forecasts.

Use the "justification for purchase" test.

Don't let someone else do your cash forecast.

Be suspicious of "Seller's Discretionary Earnings."

Don't let sellers reclassify perks as profit.

Don't believe "discretionary" cash flow can pay debt.

Don't assume the pension plan is properly funded.

Don't make a mountain out of a molehill.

Franchises are not safer.

Require proof of franchises' "competitive advantage."

Compare franchises to non-franchises.

Want a boss? Buy a franchise.

Don't make this dangerous mistake with franchises.

Look for competition posed by franchises.

Calculate the relative slices of the competitive pie.

Don't presume you can get a bigger slice of pie.

Franchising is not easy street.

How to steer clear of franchise financial disasters

Don't minimize the competition.

Don't overlook consolidation in customers' industries.

Don't ignore implications of changing trends.

Compute the power of economies of scale.

Don't buy big if it is more profitable to buy small.

Don't be blindsided by the competition.

Don't underestimate potential assault by competitors.

Don't be blindsided by employees.

Don't disregard employment regulations.

Avoid industries saturated with competitors.

Identify recent cost increases.

Identify revenue subject to adjustment.

Revenue fraud can cost you if you don't detect it.

Don't accept the books as-is.

Don't unquestionably accept accounting irregularities.

Don't forget to anticipate resale value.

Don't scare yourself silly.

Identify improvement opportunities, early.

Don't let your dream become your nightmare.

Don't think the legal system will bail you out.

Don't be shortsighted.

Are there phantom employees?

Are there phantom vendors?

Don't underestimate the time it takes to buy a winner.

Watch for these warning signs.

Carefully review employee management.

Don't readily accept alliances with competitors.

Advertising and sales analysis are essential, early.

Don't underestimate or overestimate the downside.

Don't confuse marketability with value.

Focus on what is and then what could be.

Skeletons in the closet?

Look for off balance sheet and unrecorded liabilities.

Don't miss costs paid by another business.

Don't get soaked.

Work with a safety net.

Don't wing it.

Don't omit the final walkthrough.

See financial reports and tax returns. Consistency?

Discover the seller's promises to employees.

Don't presume employee loyalty.

See the company's evaluations of key employees.

Don't finish due diligence without seeing resumes.

Don't be blind to employees jumping ship.

Don't make it easy for key employees to leave.

Question recent changes to job descriptions.

Don't ignore changing perks.

Red flags don't have to kill the deal.

Know when to cut and run.

Don't wait to learn the business until after you buy it.

Remember your goals.

Don't buy the company if the seller can't explain it.

Don't buy the company if you can't explain it.

Don't overlook how you will create liquidity.

Don't buy it unless you know there are other buyers.

How, exactly, will you better- manage the company?

Ask the catch-all question.

Don't forget the most important questions.

Require the seller to promptly notify you of changes.

Pricing / Valuing the Company

Don't ignore this truism.

Don't overpay.

On the other hand: Overpaying may be right for you.

Don't be embarrassed by valuation dysfunction.

Do you know enough about business valuation?

Don't confuse value with price.

The asking price rarely has anything to do with value.

Don't be scared away if the asking price seems too high.

Don't rely on valuation rules-of-thumb.

Don't omit factors affecting value.

Using one or too few valuation formulas is risky.

Don't misunderstand pricing multiples.

Don't mingle business and real estate valuation.

Don't permit these valuation errors.

Don't rely on a seller's valuation.

Don't rely on a broker's valuation.

Don't be misled by "advisors."

Business buying is not like home buying.

Don't rely on hearsay.

Don't assume similar businesses are alike.

Don't think sellers understand valuation.

The price is more important to the seller.

Do not pay for profit you create.

Don't pay for skim.

Detect inventory frauds.

Properly value inventory.

Focus on more than tangible assets.

An appraisal is about more than "value."

Identify and value intellectual property.

Don't fall for blue sky schemes.

Gaze at blue sky; don't buy it.

Don't assume that the business has goodwill.

Don't let goodwill mask ill will.

Don't conflate goodwill with good luck.

Don't think "profit" means profit.

Don't use book value or the seller's estimate of FMV.

Don't misadjust financial statements.

Make relevant adjustments to the financial statements.

There can be big opportunity for pricing changes.

Exploit insolvency opportunity.

Don't forecast revenue to stay the same.

Don't expect all the employees to be there for long.

Don't forecast expenses to remain flat.

Probe for sweetheart deals.

Financing Your Acquisition and the Company

Con artists prey on businesses seeking money.

Don't buy if the company can't pay for itself.

Don't forever guarantee the entire amount of your note.

Have a good reason to buy the real estate.

Milk the company's cash flow.

Don't misunderstand cash flow.

Profit is not enough to justify the purchase.

Five C's of raising capital.

Asset-based loans.

Factoring.

Customer provides equity.

Collateral probably means more than you think it does.

Don't underestimate the deal killing power of financing.

100% seller financing is unlikely and probably unwise.

Don't assume seller financing is a good thing.

Don't get too excited about an SBA loan.

Do your homework for SBA-guaranteed financing.

Use creative financing.

Don't accept the bank's proposal without shopping.

Don't feel guilty for being disappointed in banks.

Verify that financing will occur.

Default triggers can shoot down you and your company.

Don't be squeezed by a line of credit.

There are blacklists.

Don't sell your assets.

Don't ignore the effect of principal payments.

Don't borrow too much.

Don't get caught short.

Find and validate potential for growth.

Don't try for excessive growth.

Use it but don't tell sellers about the 50% rule.

Don't give your unconditional personal guarantee.

Monthly debt service payments may not be advisable.

Don't use personal funds to pay acquisition debt.

Don’t make unlikely forecasts.

Proceed using these analyses and forecasts.

Don’t be financially shortsighted.

Negotiating and Dealmaking

Don’t buy the wrong business or buy the wrong way.

When being second can put you in first place.

Answering questions with questions.

Don’t tell “the other side” how you’ll improve the biz.

Selling mistakes delighting buyers.

The seller will be your “partner” for a while.

Negotiating the training and transition agreement.

Don’t tell brokers what shouldn’t be known to sellers.

Ask for reasonably more than you expect.

Ask—don’t be shy.

Don’t rely on anyone working both sides of the street.

Use the optimum legal entity to buy and to operate.

Don’t be a greater fool.

Don’t do a dumb deal.

Don’t be afraid to tell it like it is—but do it carefully.

Don’t be trumped by bluffing.

Don’t start with a lowball offer.

Don’t unnecessarily or too early play hardball.

Don’t fail to negotiate but don’t negotiate to failure.

Don’t negotiate with blinders on.

Don’t let anyone decide for you.

Don’t foul the allocation of the purchase price.

Understand the effect of down payment on price.

Don’t use all your money for the down payment.

Don’t outbid ignorant buyers.

Don’t let disruptive innovations surprise you.

Don’t overlook demographic changes in the workforce.

Don’t feel secure without employment contracts.

Carefully negotiate contractual default provisions.

Don’t miscalculate your business buying risk.

Culture incompatibilities can stymie you.

Don’t assume the employee mix must continue.

Don’t create a negotiating free-fall.

Find the bridge to seller agreement.

Don’t permit the deal to be over when it shouldn’t be.

Don’t overcomplicate the deal.

Don’t err with advisors.

Don’t waste money on advisors.

Don’t cut out brokers.

Don’t sign a purchase offer before legal counsel sees it.

Don’t overlook contingencies for the buy/sell contract.

Don’t be the bearer of bad news.

Don’t surprise sellers and brokers.

Don’t waive recourse against brokers or sellers.

Myths about the broker’s commission.

Don’t negotiate on the fly.

Don’t be a smarty-pants.

Don’t settle for the seller’s reason for sale.

Define the “price.”

Don’t fall for higher authority.

Use the ploy of “higher authority.”

Don’t disregard this negotiating tip.

Don’t be too eager or standoffish.

Don’t let emotion triumph logic.

Don’t buy a business as-is.

Spot the opportunities for negotiation.

You might have to give—to get seller warranties.

Don’t leave deposits unspoken for.

Don’t overlook any kind of tax collector.

Budget for yourself a realistic management salary.

You don’t have to take a cut in pay if you buy right.

Don’t ignore ROI.

Don’t be overly wowed by positive cash flow.

Don’t forget post-acquisition after-tax cash flow.

Insulting the seller is unwise.

Speed bumps don’t have to block opportunity.

Don’t misadjust inventory at closing.

Don’t lie.

Don’t be a smart aleck.

Ask questions; don’t lecture.

Don’t accept the owner at face value.

Don’t buy too fast.

Don’t disclose all your assets to sellers or brokers.

Don’t kiss and tell.

Don’t believe promises.

Don’t prematurely discuss price and terms.

Don’t accept the asking price.

Don’t be first to propose deal structure.

Consider starting with a letter of intent (LOI).

Starting with a purchase contract may not be wise.

Don’t accept pitfalls in the purchase contract.

Remember to protect your confidentiality.

Don’t buy on a gentlemen’s agreement.

Don’t settle for less than definitive.

Don’t give the seller free hand to manage the company.

Don’t imagine what the seller thinks.

You don’t have to lose a deal because of price.

You don’t have to, upfront, buy the entire company.

Don’t neglect tax implications.

Don’t blindly assume contracts.

Check landlord’s reputation early during your review.

Don’t waste time because of uncooperative landlords.

Don’t wait too long to commit to the landlord.

Don’t accept a short fuse lease.

Inspect the premises that come with the company.

Don’t defer too long committing to the lender(s).

Don’t merely eyeball the assets.

Don’t expect assets to work.

Verify that the seller has good title to assets.

Don’t buy without protection if there is a sole supplier.

Don’t take too long to recoup your down payment.

Don’t deplete your cash reserve.

Don’t let others extort you.

Don’t refrain from using your escape clause.

You might not be able to back out.

Don’t give the seller your blank check.

Nail down all the intangibles.

Your desperation doesn’t have to rule you.

Include “right of offset” in your purchase agreement.

Don’t overlook a holdback of funds contract provision.

The comma that cratered a deal and risked $2 million.

Protect your ass-ets.

Don't steal a seller's business.

See your doomsday plan before executing the contract.

Protect yourself against the seller who skips town.

Ask but don't expect a test drive.

Being stymied is not necessarily a stalemate.

Don't reveal your deadline or motivation to buy.

Don't go too fast at the end of negotiations.

Delays can kill the deal; keep the ball in motion.

What is your opportunity cost?

Don't be foolish.

Using a Business Buyer Advocate ®.

Don't fail to detect a wavering seller.

Don't accept a bum's rush.

Don't blame the seller.

Don't give the seller reason to back out of your deal.

Closing the Sale / Purchase

Understand escrow and closing.

Don't close the purchase too soon.

Don't ask for early possession.

You choose the escrow agent / closing attorney.

Don't under- or overvalue potential; keep it to yourself.

Don't go it alone.

Who will buy your company when it's time to sell?

"Buyer Remorse" is normal.

Remember who is most influential and when.

Don't think a signed contract assures a done deal.

Don't forget to ask the most important question.

When You're in Charge

Do you know what occurs during the transition?

Don't put up with the seller's inadequate assistance.

What about your strategic plan?

Six essential elements to a strategic plan.

Keep your eyes and ears on the competition.

Don't like the mess you're in?

Don't panic; worry, maybe.

Benefit from the 80/20 Rule.

Don't act before thinking and then collaborating.

Changing anything too soon is risky.

Don't "fix" what works.

Don't make too many simultaneous changes.

Don't be needlessly risk-averse.

Don't delay striking back at the seller.

Don't jump from the frying pan into the fire.

Look for alternatives for getting out of a deal.

Don't dither making important decisions.

Don't confuse spending with investing.

Screen accounts payable.

Strengthen computer protection.

Create and improve websites.

Don't be a one-man/woman show.

Try to work yourself out of the job.

Don't under-utilize employees during transition.

Don't be too dependent.

Don't minimize the importance of face.

Don't let electronics undermine your company.

Don't forget who is boss.

Romance the best; dump the rest.

Don't take it out on your employees.

Hire employees who need the job.

Making yourself crazy can make others crazy, too.

Form strategic alliances to strengthen advantages.

Don't wait to warn customers.

Keep your eye on the landlord and property manager.

Don't let the seller drop the ball.

Don't be too quick to jump ship.

Are you between the devil and the deep blue sea?

Don't wait to shut down.

Keep dreaming.

Don't worry, be happy!

You did it! Congratulations.

Get started right. (Or correct your course.)

One of the most crucial things in searching for or evaluating a company to buy is to get started right. You only have one chance to make a favorable first impression. And negotiate the best deal. If you don't have all the components in place before you meet the owner of a good business, you could blow your chance to buy it.

It comes down to this: I don't know your dreams, but most people say they need more money or more control over their worklife. Some people need big money, to put their kids through college or to fund their retirement. Others want to be rich(er). Some people simply want to have more spending money, and are willing to work hard to get it.

- What's it worth to you to know how to find the right business and to know what to do when you find it?
- What's it worth to you to make the amount of money you want, and to control your worklife?
- What's it worth to you to finally become what you've dreamed?
- What's it worth to you to be able to do it now, by taking steps that others have perfected over the years?

This checklist (and Ted Leverette's books) can be one of the tools that help you achieve the success you seek.

But don't let do-it-yourself thinking slow you down or increase your risk. Why risk everything by trying to cut a few corners or by isolating yourself from the street-smart experience of a business acquisition advisory team whose sole purpose is to protect you and to maximize your profit?

100,000 people have benefited from Ted Leverette's books.

They have been sold from his website or distributed to the customers and clients of over 100 professional, business and governmental organizations in the USA, Canada and the United Kingdom.

The only thing you have to lose is info that can help you make more money and avoid problems.

How to Buy the Right Business the Right Way

Book Reviews

"Ted Leverette has hit a home run with '*How to Buy the Right Business the Right Way*.' Pay attention business buyers—the strategies in this book will allow you to make a great acquisition and keep you from getting a serious case of buyer fever." *— **John Martinka**, author of "Buying a Business That Makes You Rich"* and *"If They Can Sell Pet Rocks Why Can't You Sell Your Business (For What You Want)?"*

"I would add one more business buying don't: "Don't buy a business without reading this book."
*— **Steven Beal**, MBA, CGA, CFA, CBV, CBI, Beal Business Growth Consultants, Inc.*

"Your book is not stuffed with filler (basically useless text that fills pages but cannot be put to practical use). Thanks to what your book has empowered me to do I'm getting off the dime to begin my search for a business to buy." — **Carl Jefferson**, soon-to-be-a-business owner.

"I bought this book for my know-it-all spouse because we cannot afford to lose our life savings. Mission accomplished!" — **Undisclosed**, to protect the innocent.

"I plan on recommending it to all my future buyer prospects that I represent through my Buyer's Broker Program." — ***Loren Marc Schmerler***, President and Founder, Bottom Line Management, Inc.

"In *How to Buy the Right Business the Right Way*, Ted Leverette shares the knowledge he and his affiliates have gained in their 500+ years of business buying experience." — **John J. Gallagher**, *CPA*

"If you first know the right questions, you're going to be in the right place to find the right answers. Here are the questions. Start here." —***Bob Fariss***, *Executive Advocate*

"If you're going to buy a business to protect your family's future, this book is one tiny bit of insurance you'll be glad you invested in." — ***David Barnett***, *Moncton, NB, Canada*

"If the buyers who come to my office read this book first, it will make my job of helping them find a business to buy much easier. I could spend more time matching buyer prospects with businesses and less time educating them about the dos and don'ts." — **Jeffrey D. Jones**, ASA, CBA, CBI, NACVA, Advanced Business Brokers

"If we had known what you write, or if we would have done what you suggest, our memories and our company may have been better for us." — **Gregg Fightmaster**, manufacturing company.

"This handbook could be used by an experienced buyer to fine tune their skills or by a novice to reach their first success." — **Louis A. Rader**, retired MBA from a Fortune 500 company.

"So readable it will appeal even to buyers of small Main Street businesses!" —***Fayaz Karim***, *BSc, MBA, CPA*

"Once you have read it you will always keep it in your back pocket as your quick reference guide." — **Karl Tettmann** author & architect of the *GROWTH ™ Technique* and *Validation Principle*

"*How to Buy the Right Business the Right Way* allows a business buyer to get it right."
— **Andrew Rogerson**, author, *Successfully Sell Your Business* and *Successfully Buy Your Franchise*

Dos, Don'ts & Profit Strategies

Ted J. Leverette
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