

THE BIZEQUITY®

# PLAYBOOK

50-Day Sprint  
to Winning New Business with the  
BizEquity® Business Owner  
Advantage Program

BIZ|EQUITY®

## Welcome to the BizEquity Family!

- This playbook is designed to help you implement BizEquity and make an immediate impact on your business and the business owners that you serve. With BizEquity, you can help the business owner answer their most important question; *what is my business worth?*
- BizEquity is a cloud based business valuation and prospecting engine that allows advisors to find and engage with new business owner clients, as well as deliver the ultimate value to their business owner clients; an understanding of their value. 98% of privately held businesses don't value themselves, yet 78% of them plan to fund their retirement through the sale of their business. With BizEquity, advisors can value their clients and prospects businesses in real time, on their own white label. After all, how can a business or their advisor ensure they are properly planned, insured, diversified, or funded without knowing their value?

**“98%** of privately held business owners don't know what their business is worth<sup>1</sup>, yet...

**78%** plan to fund their retirement with the sale of the business.<sup>2</sup>”

<sup>1</sup>BIS World, 2014

<sup>2</sup>FPA/CNBC Business Owner Succession Planning Survey, 2015



# PLAYBOOK

## Business Owners Need Help

The Opportunity Few Focus On:

**12**  
TRILLION

\$12 Trillion of wealth transfer in next ten years in the business owner marketplace<sup>3</sup> (larger than the baby boom to millennial transition)

**78**  
PERCENT

78% of business owners plan to fund their retirement with the monetization of their business

**30**  
MILLION

30 million private businesses in the United States<sup>4</sup>

**90**  
PERCENT

9 out of 10 business owners are either underinsured or have no insurance<sup>5</sup>

**2**  
PERCENT

Only 2% of private business owners know what their business is worth

<sup>3</sup>Orion Advisor Services, 2018

<sup>4</sup>US Small Business Administration, 2018

<sup>5</sup>Marshall & Swift Boeckh, 2017



*Business Owner and Advisor*

**By knowing the business value the advisor can support the owner to smarter decisions**

*Business Valuation*



Retirement Planning

Insurance Planning

Lending

Asset Allocation of Other Assets

Succession

Enhancing Advisor Value

### Why do most advisors not target business owners?

- Don't know where to find them?
- If they know where to find them, they don't know how to reach out with a value proposition that can differentiate their firm.
- Don't know how to talk to a business owner about their business and that can be intimidating.
- Perception that all business owners have all of their money inside the business.

## The Biz Equity Business Owners Advantage Program

Biz Equity makes it easy to differentiate advisors from their competitors in the business owner space.

### The Biz Equity technology platform allows an advisor to:

**Simplify Prospecting:** Prospect business owners through an advanced prospecting tool giving the advisor the ability to see an estimate of what the business is worth

**Engage in a Differentiated Conversation:** In an efficient way engage the business owner to give the business owner a valuation of their business based on some simple inputs found mostly on the business owners' tax return.

**Delegate for Efficiency:** The ability to send a link to the owner's accountant or cpa or anyone they are delegating the information gathering process to streamline the investigative process.

**Provide Advanced Business Metrics:** Key Performance Indicator dashboard: allows the business owner to see key metrics of performance in the business as well as how their performance impacts their business valuation.

**Forecast Future Value:** In real time change key variables for the business owner to show how future performance of the business will impact the value of the business

**Give Business Performance Benchmarks:** Benchmark the value of the business and key performance indicators against the competitors in the business vertical as well as geographic location.

**Provide On-going Value Add:** Allows an advisor to widen their service menu and provide on-going value added service to the prospect or client as the business valuation and performance of the business can be updated on an annual basis.



The Biz Equity team has put together a toolkit making it easy for the advisor to prospect and service business owners:

**Marketing Plan in Place:** Shelf-ready marketing plan to support the advisory in entering or serving this marketplace

**Shelf-Ready Materials:** Shelf-ready marketing materials which can be white labeled to target prospects for email and mailed campaigns

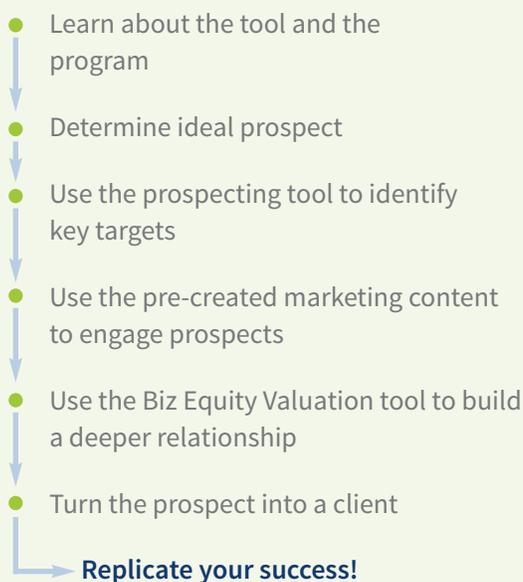
**Successfully Tested Scripts:** Call and email scripts to streamline the prospecting process.

**Social Media Content:** Blog and presentation materials to allow the advisor to articulate to the marketplace their services

## 50 days to building a “business owner advantage”

Designed to help advisors build a deeper relationship with prospects and clients to drive additional assets, insurance sales and/or banking services.

### Key steps in the process



The steps to success are laid out herein for use with a new prospect. We also encourage firms to simplify their trial period by providing these services to a current client where applicable.

### Step 1 (week 1)

Take a 30 minute demo to understand the power of the BizEquity Platform and the Business Equity Business Owner Advantage Program.

### Step 2 (week 2)

Take 30 minutes to determine the right prospect fit: Determine what type of target makes sense for your firm:

- Is there a business owner you already know that you would like to work with? – the valuation tool might be the way to get them over the hump:

- Is there someone you have already met with that owns a business
- Do you have a friend or neighbor that is a business owner that you would like to do business with
- Is there someone in the business journal that recently won a small business award that is respected in the community?
- **Geographic location** – someone in your backyard that makes it easy to do business with or target for an in person meeting?
- **Business niche** – they fit in the profile of people you already do business with
- **Size** – what size of investor or insurance client are you already working with that the size of the prospect falls in line with who you already are working with?

### Step 3: (week 3)

Take 30 minutes to reach out to the prospect:

- Use the *call scripts* or *email scripts* provided by BizEquity to reach out (see materials included in Playbook Appendix)
- Utilize “*Top 10 Reasons for Business Valuation*” one pager (included in Appendix)
- We find the majority of our advisors utilize the tool to “open the door” with the prospect – the free business valuation is the hook
- **Goal:** is to get a quick prep meeting/call on the calendar

### Step 4: (week 4)

Have a quick 30 minute discovery call/meeting with the prospect

- Utilize the tool to obtain the information necessary to build the valuation
- Set-up a meeting two weeks from the discovery meeting to review the final report

**Step 5: (week 5)**

Utilize the “*Valuation Fact Finder*” worksheet (included in Appendix)

**Step 6: (week 6)**

Present the output to the prospect

- As you prepare to review the final output with the prospect or current think about the following key questions:
  - Does the valuation make sense to the owner – will it be significantly higher or lower than the range you determined during the discovery meeting?
  - What metrics can the business owner pick to improve their valuation?
  - Has the valuation process exposed any deficiencies in the owner’s retirement plan?
  - Has the valuation process exposed any deficiencies in the insurance coverage of the owner?
  - Has this process given you an opportunity to build a deeper relationship with the owner’s accountant or attorney to drive additional opportunities to work together or uncover other centers of influence?

**Step 7: (week 7)**

Follow-up on key items:

- Wrap into a full financial plan as a potential final step if you have not completed a full financial plan for the prospect.
- Obtain statements for outside assets and complete a holistic asset allocation review for the outside assets and the impact of the business on the investment risks.
- Utilize data aggregation capabilities and include the business as an asset if the client uses data aggregation services.
- Complete a full insurance coverage review and present risk mitigation strategies.

**Step 8: *Replicate Your Success***

- Going Deeper with Biz Equity – become a client
- Becoming a Biz Equity client – what you receive:
  - On-going access to the Biz Equity Platform
  - Deeper playbook materials to support the scale of a business owner focused practice
  - On-going digital coaching and support through the Biz Equity Success Center.
- Subscription fee is \$3,600 per year per license with volume discounts.
- **A Very Small ROI Hurdle:**  
For a firm to breakeven on one Biz Equity license, only \$126,000 in additional AUM each year is required.\*
- **Call Biz Equity today at 1-888-324-6191**

\*Assumptions: Client stays for 3 years. 5% discount rate. No market performance impact on assets included. \$3,600 cost per license)

## Main Call Script

“Good Morning (Afternoon), [FIRST NAME], I’m [YOUR FULL NAME] from [YOUR COMPANY]. I wanted to touch base to see if you are like 98% of business owners that don’t know what their business is worth. In the last three years have you had a valuation completed on your business?”

### Your Pitch:

We specialize in helping business owners achieve business and personal financial goals, a focus we have held year-long for over XX years.

We have found that many small business owners struggle with planning for the future because they have so many unknowns. They don’t know how much their business is worth, when they should sell, whether they will find the right buyer, get the right price, or even how much insurance they should carry. We give business owners facts so they can make sound business and personal financial decisions. That is why we have invested in innovative technology that allows us to deliver accurate and efficient business valuations, free to clients. Once we know your business’s value our firm can assist you with (Retirement Planning, Estate Planning, Exit Planning, Business Planning, Protection Planning, etc.)

Can we schedule time in the next two weeks for me to sit down with you and discuss?

### If yes:

That’s great. You’re a step ahead of 98% of most business owners. Do you mind me asking, when was the last time this was performed, and how was it done?

(Allow for a response)

Our system is entirely different from the one you may have already used.

- We harness big data to deliver accurate and detailed valuations in a fraction of the time of traditional methods.
- We also suggest business owners get yearly valuation updates, and our system makes it easy to track your business value on an ongoing basis, so you’re never stuck with outdated information.

Would you be interested in learning more about how to get started on your own business valuation? It’s free and you have no obligation to use our services to help you integrate your company’s value into your overall financial plans and goals.

### If no:

Why Not? (wait for answer)

- If because *not looking to sell...* Knowing your business’s value is one of the most important things that business owners overlook. Your business’s value is a key component to ensuring your retirement and estate plan is accurate and that your family and business are protected at the proper levels. Your business is your largest asset, just like any investment account you may have you need to know it’s value to have an accurate picture of your net-worth.
- If because *it was too expensive...* Traditional valuations can cost thousands of dollars, our state-of-the-art system uses the power of Big-Data to allow us to deliver business owners accurate business valuations [(at a fraction of the cost or free) DEPENDING ON YOUR FIRM]
- If because *he didn’t have time ...* It’s true, traditional business valuations can take up to 3 weeks to prepare, and require a lot of your time. We understand you are busy, but also understand the importance of knowing your business’s value. Our technology allows us to deliver your business’s value in a very short amount of time. We use the power of Big-Data to deliver your business’s value in minutes rather than weeks.

**Main Call Script** *continued*

- If because *I didn't think it was necessary...* It's common for business owners to only pursue a business valuation when an event calls for one. Buying or selling a business, looking to secure funding or a partner leaving are common events where a business valuation is necessary. However, knowing your business's value is something that you should know today. Your business is your largest asset and knowing it's value allows you to properly plan for the future and when those valuation events occur, you can confidently go into these situations without the fear an unwanted surprise. [Offer to send the prospect the Top 10 Reasons for a Business Valuation PDF]

As you can see, our innovative system has addressed many of your concerns. Would you be interested in trying it out? It's free and you have no obligation to use our services to help you integrate your company's value into your overall financial plans and goals.

**If Yes:**

Great! You can start your business valuation on your own or I would be happy to schedule some time to meet with you in order to discuss your goals and assist you with your business valuation. (Offer an available time to meet with the prospect and set an appointment)

**If No:**

I appreciate your time. If you change your mind or want to learn more, you can log on to our website at [WEBSITE ADDRESS HERE].

## General Prospecting Emails

### **Subject:** *What's Your Business Worth?*

Did you know that over 98% of business owners do not know what their business is worth?

Planning for the future for your business or your life in general, is difficult when you don't know how much your most valuable asset is worth.

At **(YOUR FIRM NAME HERE)** we can provide you with a secure, comprehensive and accurate business valuation, to take some of the mystery out of your future. Let us show you how, visit **(YOUR WEBSITE HERE)** or call us at **(PHONE NUMBER HERE)**. There is no charge and no obligation, however, we hope you find value in this service and would be open to discussing how we can use the valuation report to help you achieve your goals.

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### **Subject:** *Achieve Your Goals*

As a small business owner, it is important to recognize the vital role your business plays in achieving both your personal and professional goals. At **(YOUR FIRM NAME HERE)** we can help remove some of the mystery about your future by arming you with the data you need to make the best financial decisions possible. We specialize in working with small business owners and can help you gain a deeper appreciation for your business's true value. Our confidential business valuation tool will provide you with an accurate business valuation you can rely upon as you plan for the future.

Simply go to **(YOUR WEBSITE HERE)** to start your business valuation today. There is no charge and no obligation, however, we hope you find value in this service and would be open to discussing how we can use the valuation report to help you achieve your goals.

### **Subject:** *Helping Local Businesses Succeed*

At **(YOUR FIRM NAME HERE)** we understand and value the critical role the importance of small businesses play in our communities across the country. Businesses like yours employ millions of people, support local charities and organizations and drive our local and national economies.

Running a small business is no easy task, which is why at **(YOUR FIRM NAME HERE)** we help relieve some of the pressure by developing and implementing strategies designed to help business owners achieve their business and personal financial goals.

To learn more about how we can help you visit **(YOUR WEBSITE HERE)**.

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### **Subject:** *Know Your Value, Solidify Your Future!*

Did you know that 98% of business owners do not know what their business is worth?

If you are like most small business owners, your business is your largest asset. We can provide a secure, comprehensive and accurate business valuation so you can reliably plan for the future.

To learn more about how we can help you visit **(YOUR WEBSITE HERE)** or contact us at **(PHONE NUMBER HERE)**. There is no charge and no obligation, however, we hope you find value in this service and would be open to discussing how we can use the valuation report to help you achieve your goals.

# Top 10 Reasons for Business Valuation

- 1** Better understand **Your Business** and its potential
- 2** Know the value of your largest asset so you can plan for **Retirement**
- 3** Ensure the business and your family are **Properly Protected**
- 4** Create a **Succession Plan**
- 5** Pay the right amount when you **Buy** a business
- 6** Get what it is worth at **Sale**
- 7** Create **Buy/Sell Agreements** with business partners
- 8** Explore **Funding Opportunities**
- 9** Establish a Trust or create an **Estate Plan**
- 10** Prepare for **Taxable Events** such as gifting or grants

Knowing the true value of your business is critical to proper business planning and achieving personal goals. Through our valuation process, we can help answer the questions that will lead you to make informed decisions for your future.

*... Let us show you how.*

# Valuation Fact Finder

## 1 Basic information

Business name	
Industry name or code	
Zip code	

## 2 Company profile

Contact person's first name	Contact person's last name	
_____	_____	
E-mail address		
_____		
Address 1		
_____		
Address 2		
_____		
City	State	Zip code
_____	_____	_____
Phone number	No. of employees	
_____	_____	
Type of ownership	Tax form	Year of inception
_____	_____	_____

### Reason for valuation

- |                             |                                |                           |
|-----------------------------|--------------------------------|---------------------------|
| Seeking equity financing    | Seeking debt financing         | Estate planning           |
| Looking to sell my business | Looking to buy a business      | Insurance & risk planning |
| Accounting preparation      | 409-A valuation pre-assessment | Strategic Planning        |

# Valuation Fact Finder

## 3 Income & Expenses

	2019 (projected)	2018	2017
Revenue			
Pretax income			
Officer compensation			
Interest expenses			
Non cash expenses			
One-time/non-operating expenses/losses			
One-time/non-operating revenues/gains			

## 4 Assets

Balance sheet data will be compared to industry benchmarks and the valuation will be adjusted accordingly.

	2019 (projected)	2018	2017
Cash			
Accounts receivable			
Inventory			
Other current assets			
Fixed assets			
Intangible assets			

# Valuation Fact Finder

## 5 Liabilities

	2019 (projected)	2018	2017
Accounts payable			
Other short-term liabilities			
Bank loans			
Other long-term liabilities			
Contingent liabilities			

## 6 Growth

Please provide us with your estimate in **percentage** format.

Projected revenue growth  
(annualized growth rate)

Long term EBITDA margin

Percent of business recurring

\_\_\_\_\_

Do you have intellectual property, including trade secrets or patents?

Yes

No

## 7 Operations

Percentage of sales from top three customers?

Projected profit and revenue impact if owner  
exited business.

\_\_\_\_\_

Does your current life or key person insurance coverage and risk  
management program cover the business valuation quotation above?

Yes

No

Do you rent or own?

Rent

Own

# Valuation Fact Finder

If you **OWN** instead of rent, please complete this section.

What is the Fair Market Value of Your Property?	
What is the remaining mortgage on the property?	
What is the square footage?	
Is the property owned by this entity? if yes, what would the true market level monthly rent be?	
Is the property owned by a 2nd entity with common ownership? if yes, What is the current monthly rent paid to the 2nd entity?	
What would the true market level monthly rent be?	

If you **RENT** instead of own, please complete this section

Is rent paid to an independent 3rd party? if yes, what is your monthly rent? What is the square footage?	
Is rent paid to an entity that you own or are affiliated with? if yes, What is the current monthly rent you are paying? What would the true market level monthly rent be? What is the square footage?	

## »» What's next?

Once we receive your completed form, we will schedule time to discuss your business valuation and its implications with you.