Business Overview

RE: Earn Recurring Revenue with Executive Sales Coaching

Specifications

Price $330,000	Cash Flow $121,400	Revenue $253,061
Valuation $333,850	Equipment $10,000	Down Payment 10%
Multiplier 2.75	Location Located in Omaha; Virtual office can be Relocatable	Industry Professional: Financial/Office Services
Account Receivable $67,812	Service Area Nationwide	

SUMMARY OF THE BUSINESS –

A company that implements corporate sales training programs with a 47% profit margin. This well-known company provides sales training primarily to larger, corporate clients, specializing in the senior living industry with a focus on increasing their gross sales.

The business delivers a comprehensive training /coaching that involves the client's executive, front line management and sales teams. The program is delivered via face-to-face training workshops followed by online/webinar involvement and follow-up telephone coaching.

In addition, a new client who requests their service will receive training manuals, access to learning centers, and to a toolbox that includes ‘manager’ materials. Each client is on a contract with repeat clients on annual subscriptions. They focus on the long-term growth of their clients, which creates recurring revenue as clients continue their services for a number of years. Their revenue comes from 65% projects and 35% online subscription services ranging anywhere from $5,000 to $70,000.

There is $77,812 in assets including $67,812 of A/R in the purchase price of this business. Intangibly, this company has an established national brand, a professionally designed website, and a library of cutting edge training modules used for their corporate clients. Furthermore, the majority of new clients come from referrals. There are two full-time employees. As part of their model, coaches work on a contractual basis and as such, are not employees. The current owner is responsible for finding new clients, online training, and traveling for several days a month to train clients in-person.

After all debts have been paid, a buyer with a down payment of $33,000 can expect to retain a profit of $63,651 the first year, which is a 192% Return on Investment.

Learn More

Business Highlights

- Established in 2005
- Located in Omaha; Relocatable; Virtual Office can be relocatable
- Demographics: National service area, East and West coast; Middle states, primarily Colorado, Kansas, Missouri, and Minnesota with a focus on the senior living industry
- Most new clients are referred; A library of cutting-edge training modules
- Focuses on long-term growth for clients
- Primarily targets clients in the senior living industry
- 1 full-time and 1 part time employees; 3 Coaches who work on a 1099 Contractual basis
- Established national brand and professionally designed website; Most new clients are referred
- Owner finds new clients, assists in online training, and travels to train clients in-person

Financial Highlights

- List Price: $330,000
- Gross Sales

    - 2016: $253,061
    - 2015: $332,874
    - 2014: $318,520
- Cash Flow
    - 2016: $121,400
    - 2015: $143,769
- 47% Profit Margin
- $77,812 in Assets, including $67,812 in A/R*

*amounts may vary

Valuation Details

The Firm Business Brokerage used a Cash Flow Valuation methodology to determine the Purchase Price of the business. The formula used is as follows:

Cash Flow x Multiplier = Price

"Cash flow" is the sum of net income plus any owner perks and non-onward going expenses.

"Multiplier" is a prescribed number between 1 and 5 determined by a 100-point, 20-question rating system used to determine the business valuation (average is 3).

The Cash Flow for 2016 is $121,400. The prescribed multiplier is 2.75.

With this information, the computation result follows:

$121,400 x 2.75 = $333,850

The List Price for the business is set at $330,000.

Funding Example

Purchase Price: **$330,000**
*10%***Buyer Down Payment:** $33,000

*40%***Seller Financing:** $132,000

*50%***Bank Loan:** $165,000

Seller Financing 5-year term at a rate of 4.50% equals a monthly loan payment of $2,461.

Bank Loan 7-year term at a rate of 5.25% equals a monthly loan payment of $2,352.

After business expenses and annual loan payments of $57,749, a buyer would retain a net operating income (profit) of $63,651. A 10% down payment of $33,000 results in a 192% return on investment in the first year!

A lender is required to have a minimum 1.5 coverage ratio for any business loans extended. At a proposed Purchase Price of $330,000 with the terms listed above, the coverage ratio is 2.10. Please note that the decision of whether to extend a loan on any sale belongs to the bank, and this document does not guarantee specific terms or verify that financing is available.

Cash Flow Analysis

Description of Financial Statement	P&L Statement January - December	Tax Return	Tax Return	Tax Return	Notes
	2016	2015	2014	2013	
GROSS SALES	$253,061	$332,874	$319,520	$466,415	
Net Income Shown on Financial Statement	$89,715	$93,907	$153,188	$143,637	
ADDBACKS					
Compensation to Owner	$22,000	$18,550	$19,500	$19,500	
11% Tax on total W2 Salaries	$1,417	$2,041	$2,145	$2,145	
Depreciation	$3,162	$3,738	$4,556	$6,068	*Non-cash item*
Amortization	$3,333	$3,333	$3,333	$3,333	*Non-cash item*
Retirement Plan	$1,773	$2,200	$2,363	$4,025	*Seller's retirement plan*
Legal	$0	$20,000	$0	$0	*One Time Extraordinary Expense*
TOTAL ADDBACKS	$31,685	$49,862	$31,897	$35,071	
Seller's Cash Flow = Total Addbacks + Net Income	$121,400	$143,769	$185,085	$178,708	
Profit Margin	47.97 %	43.19 %	57.93 %	38.32 %	

- 47% profit margin
- Sales dipped in 2016 due to the seller cutting back to slowly ease out of the company

Products & Services

- There are three different types of services offered including selling skills training, management workshops, and online training modules.

Selling Skills Training

A series of targeted sales training workshops are delivered to the sales team or those staff members who may play a role in working with prospects and referral sources. Programs are designed to include as much or as little training as is needed from a menu of topics including:

ALL TOPICS AVAILABLE: Instructor Lead or Online Module

- The Foundation Concepts of the Sales Process
- Prospect Management: Improving Discovery

- High Efficiency Selling: Overcoming Objections and Closing the Sale
- Turning Inquiry Calls and Emails into Appointments
- Conducting the Community Tour
- Selling to Referral Sources to Generate Leads
- Selling the Physicians to Develop Referral Relationship
- Building Your Presentation to Referral Sources
- Building Your Presentation to Prospects
- Answering Inquiry Calls
- Appointment Setting
- TeleSales (Inside Sales)

Management Workshops

With their unique process they begin training from the top down, starting with the management team and later training the sales team. This goes on two days, these instructor-led workshops start the process by working with the client's management team. They learn the fundamentals of the sales process (from lead generation through prospect management) and establish a common language in the organization about sales activities and outcomes.

Management Implementation:

For six weeks trainers work individually with community operations, using an interactive learning platform, to implement the sales operations. This is when the 'theory' goes to ground level with real assignments and goals specific to each community.

The management team works through the process of managing their resources and staff to create their own fully operational sales process at the community level. During this phase trainers work with community operations to establish a clear set of expectations for the sales force and for management's role in coaching the sales force. To hold all parties accountable, a reporting tool and process is put in place that creates visibility into the weekly sales activities and the effectiveness with which the sales force execute those activities.

Management Coaching:

For six weeks the corporate sales training coach actively coaches management how to look at the reporting tool,
diagnose what isn't happening enough or happening well enough and then advises on how to
take corrective action.

Time and again it is during this coaching phase that census and profitability begin the significant growth trajectory that has become the standard of excellence in business development.

Online Selling Skills Support Program: Access to the online learning center and onboarding tools for one year.

Online Training Modules

Module 1: Foundation Concepts of the Sales Process

Module 2: Selling to Residents and their Families

Module 3: Overcoming Objections and Closing the Sale

Module 4: Answering the Community Telephone and Responding to Email

Module 5: Conducting the Community Tour

Module 6: Selling to Referral Sources

Module 7: Physicians as Referral Sources

Module 8: How to Maximize Lead Generation with Referral Sources

Module 9: Building Your Presentation to Referral Sources

Module 10: Building Your Presentation to Prospects

Module 11: Handling Inquiry Calls

Module 12: Maximizing Internet Leads

Module 13: Mining the Database for Leads

Online Selling Skills Training Program

Access Timeframe	Recorded Training Session	Course Overview
12 month access as per terms of agreement.	***Course 1: The Foundations Concepts of the Sales Process***	This course defines the sales process, develops the common language to manage the process; helps define the roles to execute the process, and lays the foundation for effective sales activity reporting.
12 month access as per terms of agreement.	***Course 2: Selling to Residents and Their Families***	This course improves the discovery process in order to create trust and establish rapport with the potential resident and the family. And discover that information that prepares for a customized sales presentation.
12 month access as per terms of agreement.	***Course 3: Overcoming Objections and Closing the Sale.***	This course instructs participants in the techniques to overcome common objections and move the sales to close.
12 month access as per terms of agreement.	***Course 4: Turn Inquiry Calls into Appointments***	This course trains staff to successfully handle telephone inquiries and get to the next step of creating appointments with

Access Timeframe	Recorded Training Session	Course Overview
		these potential residents shopping on the telephone for a provider.
12 month access as per terms of agreement.	***Course 5: Conducting the Community Tour.***	This course trains staff to effectively conduct and participate in the facility tour, the objective of which is to secure a next step with the prospect and to move the sale forward to close.
12 month access as per terms of agreement.	***Course 6: Selling to Referral Sources to generate leads.***	This course trains team members to effectively engage new and existing referral sources and community influencers in a sales conversation, one that is focused on generating new leads.
12 month access as per terms of agreement.	***Course 7: Selling to Physicians to generate referrals***	This course trains the sales and marketing team to expand their referral base more deeply into the medical continuum by calling on physicians. It trains participants the basics of how to get in front of the community physicians to foster this all-important referral source. How to set the appointments and how to present a relevant value proposition to this potentially important referral source to your community.
12 month access as per terms of agreement.	***Course 8: How to Maximize Lead Generation with Referral Sources***	The course trains participants in the techniques to maximize lead generation with referral sources. This module gives you creative ideas to create not just a 'sales meeting' but a strategy for a 'territory plan'.
12 month access as per terms of agreement.	***Course 9: Maximizing Internet Leads***	This course trains participants to improve their telephone and email selling skills to improve their closing ratio with Internet leads.
12 month access as per terms of agreement.	***Course: Mining the Database for Gold***	Content is design to work with existing database of leads to continually 'mine' the opportunity as the database matures. This course has a management reporting piece to help the EDs consistently manage the daily activity of calling into the database,

Access Timeframe	Recorded Training Session	Course Overview
		and reactivating these leads that have gone ‘cold’.

Additional Features of the Corporate Learning & Resource Center (LRC)

Quizzes with Certificate option (no charge but requires submissions of associate names in order to generate certificated 'by name' for CEU benefit).

Clients

- Current owner is primarily targeting existing businesses in the senior living industry
- Clients are either on contracts or annual subscriptions

To receive a full financial package and specific information regarding this business:

1. Complete the Qualified Buyer Documents (Non-Disclosure Agreement and Buyer Questionnaire) on our website or print, scan and return the attachments to info@TheFirmB2B.com

2. Call The Firm Business Brokerage at 402.998.5288 to schedule an appointment or conference call with a Broker.

The Firm currently has over 90 cash flowing businesses available. If you find that this is not a fit for you, please let us know and we would be happy to provide you with other opportunities.