

# GABB TODAY

THE NEWSLETTER OF THE GEORGIA ASSOCIATION OF BUSINESS BROKERS

## How Clients Choose A Business Broker

**By Art Lennig**

Most of us will choose price (the cheapest) if we do not see any difference between our choices. This applies to everything from milk in the grocery store, envelopes at the office supply store, nails at the hardware store, and yes, even business brokers.



with the promise: "I guarantee that I can sell your business." Maybe you're the broker who just says anything?

I was at a networking meeting several years ago and stood near a friend as he was talking with a business broker. This broker told my friend that he was on the Board of GABB, although he was not. That's when my friend turned to me and asked, "Aren't you on the board, too?" That's when the other broker started to do the backstroke. Is this what you do? *(continued on next page)*

### *What do you offer your prospect that makes you different?*

What do you offer your prospect that makes you different than the other brokers in your office, in GABB, or all other brokers? Are you the cheapest? Are you the most experienced? The most educated? The largest firm? Just what sets you apart from the rest? If you can't answer that question, than I hope you offer a low commission rate. Maybe you get your listings by letting the seller set an unreasonable asking price. You can always come back later and say "We need to lower the price because we are getting no action on the listing." Or maybe you get your listings

### **Gwinnett Chamber Official To Speak to GABB March 29**

**Nick Masino, Director of Economic Development with the Gwinnett Chamber of Commerce, will give an update on companies that have moved to Gwinnett and what kinds of companies they are looking to expand in Gwinnett. He will tell us what initiatives and incentives his county has used to attract companies, talk about trends in business and the workforce and let everyone know his pitch to companies thinking of expanding to Gwinnett and Georgia.**

**The meeting starts at 10:30, preceded by 9:45 a.m. networking breakfast.**

**Cheryl Beer, Senior Vice President of Georgia Primary Bank, 404-504-8316, is our presenting sponsor.**

# Lennig: Choosing a Broker - *continued from front*

It is my experience that most business owners do not want the slick lines or lies but want to know who you are and what are your credentials. What is your experience, before and after you became a broker; what is your training to be a broker; have you continued with any training; and are you successful? I believe the business owner is not looking for the broker that is going to charge the least commission; they are looking for the broker who knows how to sell their business. At the end of the day, if you cannot sell someone's business, it won't matter to the owner that you had the lowest commission rate.

We are fortunate here in Georgia in that we have an organization such as the Georgia Association of Business Brokers. GABB offers educational opportunities, useful forms,

knowledgeable affiliates who can help close deals, designations such as Board Certified Intermediary (BCI), and an active co-brokering

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**Most business owners do not want the slick lines or lies but want to know who you are and what are your credentials**

community to share listings. I am very proud to be able to tell my prospects that I am a member of GABB, that I do have the BCI certification and that I will co-broker with other members of GABB (and I will).

Again I ask you, “What sets you apart from the other business brokers?”

## Welcome New GABB Members

Following are the new members voted in by the Board of Directors on Tuesday, February 22, 2011.

### Affiliate Members

**Kim Eells**

AVP with Community and Southern Bank

**Jackie Hart**

Director of Finance with Discovery Point Franchising

**Gary Whitaker**

Attorney and Principal at Whitaker Business Law

*(and he has already joined the Forms Committee)*

**Jimmy Hamilton**

Financial Advisor with Morgan Keegan

### Broker/Associate/Active Members

**David W. Aynes**

Partner with Atlanta Leasing and Investment

**Richard Burgess**

President of Priority Business Acquisitions, Inc.

**Thomas Crumpton**

President of Commercial Experts, Inc.

**Steve Mastrangelo**

President of Georgia Restaurant Brokers

# The Value of Perseverance

By David Cross

In the business world, I don't think anybody has endured as challenging an environment for as long as business brokers with the possible exception of homebuilders. Your funding has been effectively shut off, your deal prices are materially lower, and the environment for generating income is slow at best. Worse, it seems that everyone is in the same lifeboat, and lots of real estate folks are jumping in with you.

**When you come to the end of your rope, tie a knot & hang on.**

I can feel your eyes rolling and saying "That's awesome, Dave. Tell me something I don't know," or "Tell me what I can do about it." In the words of President Clinton "I feel your pain," but I truly do. You see, I'm the son of a homebuilder. I was made painfully aware of business cycles at a young age. I've swept homes, eaten construction dust, spread hay, baked in the sun picking up garbage, and installed doors in houses. My brilliant escape from the business cycle was to become a stockbroker right out of college like my hero Warren Buffet did in his early career. Little did I know that I would get to see business cycles up close and personal with the added benefit of dealing with the emotional baggage attached to other people's money. Early on, I worked two jobs – one from 7:30 a.m. to 5 p.m. and another from 6 p.m. to 10 p.m. with weekends added to spice things up. Right out of school, I married my wife Shawn, and I think we got to see each other on Sunday nights. We lived in a \$406 per month rental in Morningside, regularly had \$18 in our checking account, and somehow, by the grace of God, we made it because we worked hard, and we worked smart.

The reason why I'm sharing my story is because right now, things are tough, and I get that. But as surely as the minutes tick by on your watch, somebody who owns a business is getting older and will need to sell; somebody's partner may have died or retired, and they can no longer run the business by themselves; somebody is moving here from Illinois, New Jersey, California or New York to escape high taxes and the high cost of living; somebody is getting divorced, and they may be forced to sell. There is demand building

in the system, and, because of the way capitalism works, there is an element of creative destruction going on in our economy, and you have to find a way to make the system work for you.

Right now, the smartest business people I know picked up deals in 2008 when stocks were selling at abnormally low prices. Today, they are still looking for deals, and, in some cases, they are getting them. However, the supply of attractive paper assets is declining as prices of stocks have increased to levels where some business people are more confident in the money-making ability of main street businesses, the very businesses that business brokers represent.

**We cannot solve our problems with the same thinking we used when we created them.**

You've heard all of the trite phrases like "when the going gets tough, the tough get going"....and all the others. There is a lot of truth in that saying but the key to future success is to *think strategically about your business*. There's not a lot going on right now, so spend some time ON your business as opposed to IN your business. Think of ways that you can specialize your services to gain market share. Invert - find an oversupply in the market place and consider an opposite offering. Work on your process for client acquisition and your process for client retention. Look at your business with a critical eye and run your business like a business – otherwise, you will only be creating a job for yourself with no lasting equity to sell later to another business broker.

Money is not and will not be flowing freely for who knows how long, but if you sharpen the blade of your business, when the harvest eventually comes, your blade will cut quickly and precisely. And you will reap the rewards.

**I may not be there yet, but I'm closer than I was yesterday.**

**David Cross**  
Vice President  
Wealth Management Advisor  
Portfolio Manager PIA Program  
Merrill Lynch Duluth, GA 30097

# What is Your Marketing Saying About You? *By Eric Gagnon*

## **Tuning up your Marketing Approach – What is your Marketing Saying about You?**

This article challenges the individual business broker or brokerage firm to answer the critical question, “What is Your Marketing Saying about You?” As an industry, we routinely require clients to put their best faces forward when putting their businesses on the market. The same principles can be applied to your marketing efforts by answering the following questions.

### ***Do you have a clear and identifiable brand?***

How do you stand out from others in the industry? What does your name say about you? Do you use a cluster of names followed by a collection of letters? If so, you’re asking an uninformed customer to figure out what business you are in. Hand your card to a half dozen members of an informal focus group and ask them if they can figure out what you do from your card. Don’t assume the uninformed customer knows what business brokerage is. Consider improving your marketing by adding an understandable tagline such as “we sell your business.” Once you begin using the tagline, use it consistently in every marketing campaign.

### ***What’s the first impression of your business?***

Pull a business card from your pocket and look at it as if you are seeing it for the first time. How are you using graphics or color to instantly convey the industry you serve? How many colors are you using? What is the print quality? Does the paper weight convey a rich substantial image? Is it glossy finish or flat? How large or small is the type? How many ways



can someone contact you? How long have you been using it?

Today’s society is an intensely visual one, driven by the Internet’s graphic-heavy environment. Today’s customer is trained to take one look and click away if the message isn’t compelling enough. Using color, graphics, and more are required, not optional. The first impression you make with your business card will set a standard for your brand with the customer. Make sure it communicates clearly and effectively in a memorable way.

### ***What’s the consistent impression of your business?***

Your business card may be a starting point, but all elements of your marketing should hold together for one consistent approach. Assume that your customer has contact with you through every means of marketing and advertising. Do they have the same impression of your business each time or are you sending mixed messages? Validate each method to make sure you’re saying the same thing.

**Logo** - Is your logo professionally designed to communicate the impression you want the customer to remember? If your logo is more

# Fine Tuning Your Marketing

a business broker, pay someone to develop a memorable logo.

**Website** - Does your domain name tie back to your brand? Does it align creatively with your card? A one color business card with no graphics is instantly at odds with a super charged website with a 30-second flash intro. This signals that you are inconsistent in your approach. If you can't market yourself, the client may wonder how you can market their listing.

**Advertising** - Pull together all the advertising you have done in the past six months. Does it feel the same in the use of color, logo treatment, style, and approach? If your direct mail method is a black and white letter with a handwritten envelope while your business card is full-color glossy, you are again sending mixed signals to your client. This applies to every form of marketing including email marketing, direct-mail marketing, print advertising, and more. Every communication with the customer should be color and logo coordinated to your brand.

**Service** - Service is part of the branding proposition. You must deliver what you are telling the customer. If you use a tagline, "We put you first" and your business card has only snail mail or an office phone staffed from 8-5 Monday through Friday, then you're communicating at odds with your message. The customer who reaches your voice mail after 6 p.m. now doubts all of your messages. In the business brokerage industry, the broker becomes identified closely with the brand. Service is an element of your brand

directly tied to the broker's actions. You must be consistent in this approach as well. That means you can't afford to track down every lead aggressively one day and hide behind voice mail or email on another.

The Internet has defined new service standards where savvy users are now trained to hit "send" and expect an instant reply. If your efforts aren't tuned up to meet this need, you may be left behind. Your old auto responder that says "thanks for your inquiry" is not going to be fast enough to get today's consumer's

***Differentiate with blogging, online chat, webinars, instant messaging, click to talk or podcasting.***

attention and hold it while they settle back and wait for your call. Today's broker may need to differentiate himself or herself through new communication techniques like blogging, online chat, webinars, instant messaging, click to talk or podcasting.

Ultimately, your brand is the culmination of both what you communicate and what is perceived about your business. Appropriately communicating and protecting a brand is something that multi-billion dollar firms like McDonald's, Apple, or Nike take very seriously. Sitting down with your firm to focus on these key questions will help you answer the all important question, "What's Your Marketing Saying about You?"

**Join 500+ million users. Set-up Business Pages.  
Create Ads and Event Pages.  
Market Your Business. Come Learn How.**

*By Popular  
Demand.*

**Register**



## **GABB Spring Conference**



***STILL ONLY \$95 all inclusive***

**Facebook Training Day**

***April 26, 2011***

***9:30AM-4:45PM***

***Includes: 6 GREC CE, Lunch &  
Step-by-Step Guides***

**Instructor: Juanita McDowell**



**Course Location: InMotion Real Estate ATLANTA  
5784 Lake Forrest Drive  
(Inside Atlanta REALTORS Center)  
Atlanta, GA 30328**



# 2011 MEMBERSHIP DUES INVOICE

**2011 Dues are OVERDUE!!!**

**Current Members: Make check payable to GABB and mail to: GABB Treasurer Matt Slaphey,**

**1664 Colebrook Circle, Ste 100, Decatur, GA 30033**

<b>COMPANY OR INDIVIDUAL ACTIVE MEMBERSHIP (BROKERAGE):</b>	<b>\$ 145.00</b>
<b>ASSOCIATE MEMBER/AGENT OF ACTIVE MEMBER:</b>	<b>\$ 125.00</b>
<b>AFFILIATE (NON-BROKERAGE SUPPORT PROFESSIONAL) MEMBERSHIP:</b>	<b>\$ 125.00</b>
<b>AGENT OF AFFILIATE MEMBER:</b>	<b>\$ 125.00</b>
<b>DONATION TO THE IBBA MATCHING REGULATORY FUND*</b>	<b>\$ _____</b>

\*IBBA will match your donation for legal negotiations with the SAC and NASAA (North American Securities Administrators Association), for Business Brokers to be exempt from certain requirements when involved in a stock transaction. For more details, contact David Still.

**I understand the Membership Chairman may contact me for any additional information requires to process my Membership Re-Application.**

**Check # \_\_\_\_\_ & amount \$ \_\_\_\_\_ remitted.**

**NAME** .....

**COMPANY** .....

**FIRM LICENSE #** ..... **R/E LICENSE #** .....

**COMPANY Address** .....

**Home Address** .....

**Office Tel.** ..... **Cell:** .....

**FAX** ..... **Spouse's Name** .....

**Email:** ..... **Web Address** .....

**Product/Service (Affiliate Members):** .....

.....

**I am up-to-date in GABB payments to BizMLS, a requirement of Active Brokerage Membership.**

**Signed:** .....

**Please enclose a copy of your Georgia Real Estate License along with your check.**

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# ☆☆UPCOMING EVENTS☆☆

**GABB** meetings are held on the last Tuesday of every month, except December.

In 2011, GABB meetings will be held on  
April 26, May 31, June 28,  
July 26, Aug. 30, Sept. 27,  
Oct. 25 and Nov. 29.

8:30 AM -GABB Board Meeting  
9:45 AM -Networking/Breakfast  
10:30 AM -Membership Meeting  
12:15 PM-Committee Meetings



To contact a GABB member or affiliate, go to [www.gabb.org](http://www.gabb.org) To suggest an article for the newsletter, contact the editor at [dloupe@mindspring.com](mailto:dloupe@mindspring.com)

## Join GABB in 2011

If you are interested in discussing membership in GABB, please go to [www.gabb.org](http://www.gabb.org) and send the completed Membership Interest Form to initiate contact with our Membership Committee, or contact the GABB Membership Chairs Paul Cushman [pcushman@cushmanassociates.com](mailto:pcushman@cushmanassociates.com) 770.752.4240 or Tom Burdick [tom.burdick@metrobrowsers.com](mailto:tom.burdick@metrobrowsers.com) 678.807.9189.