FOR OWNERS

What your business is actually worth.

Why you say 5x and every buyer says 3x.

THE DISCONNECT

You are both using the wrong number.

Owners multiply the profit they feel. Buyers multiply the profit that survives their diligence. The gap between those two numbers is where deals die, and it has a name.

TWO PROFIT LANGUAGES

SDE versus EBITDA.

SDE $500K

profit plus your salary, your truck, your phone, your perks. The small deal number.

EBITDA $380K

what is left after paying a $120K manager to replace you. The bigger deal number.

Same company. A buyer who quotes 4x EBITDA and an owner who wants 3x SDE are almost saying the same price.

THE DISCOUNT LIST

Why the multiple is 3 and not 5.

- The business needs you in it every day
- Messy books, cash jobs, personal expenses mixed in
- Two customers are half the revenue
- No contracts, no recurring revenue, no team lock in

Every unchecked box is a turn off the multiple.

THE LADDER

Size pays a premium.

Under $500K SDE	$1M+ EBITDA
2 to 3x	4 to 6x

Bigger, cleaner businesses attract funded buyers who pay more. The same dollar of profit is literally worth double inside a bigger company.

THE FIX

How to be worth 5x.

- A manager who runs the day to day without you
- Three years of clean, boring financials
- Recurring contracts and a spread out customer list
- You take vacations and nothing breaks

Every box you check moves the multiple, not the story you tell.

THE CLOCK

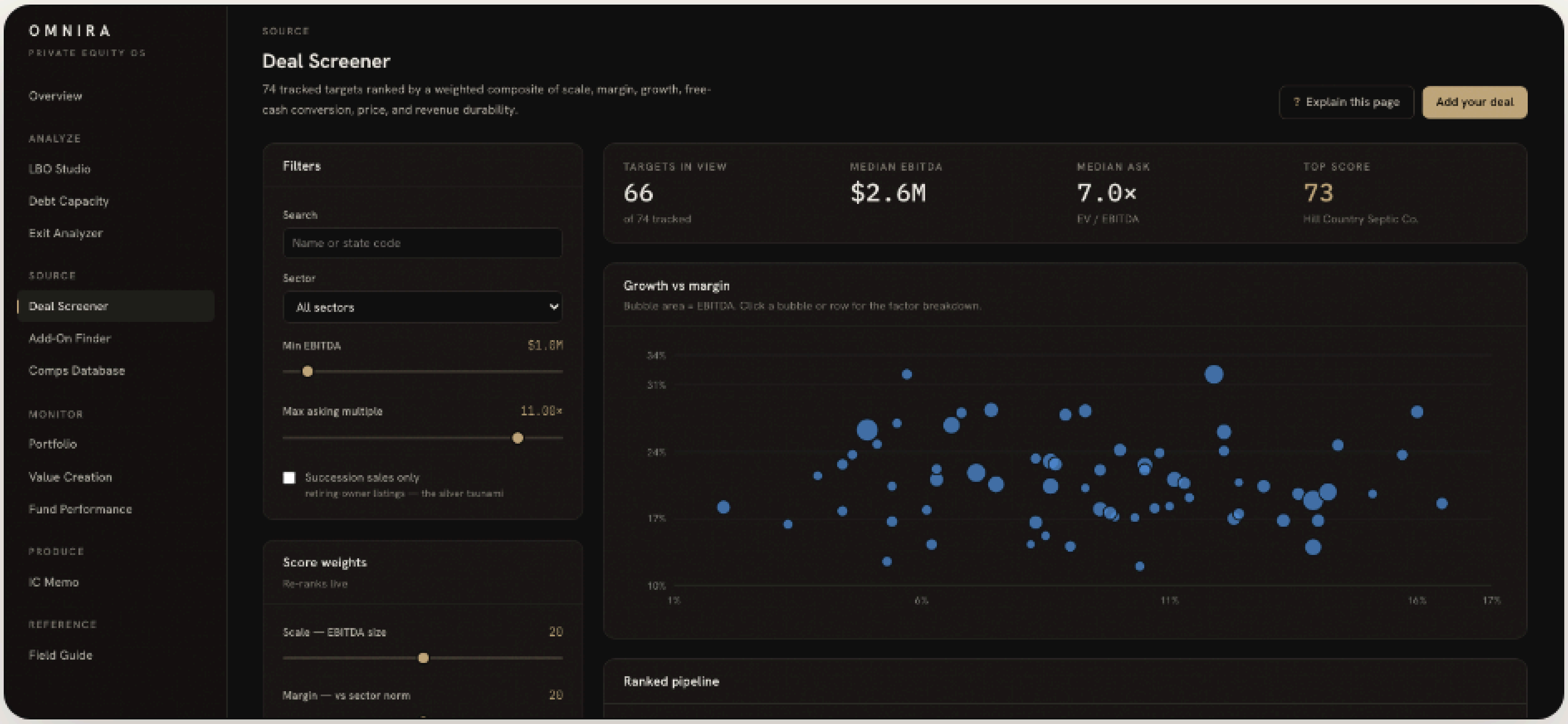
The tsunami comes either way.

Half the owners in the trades are past 55. The prepared ones will sell at a premium to eager buyers. The rest will discount, or quietly close after decades of work.

Preparation is the only side of this you control.

TRY IT

Run your own company through a buyer's eyes.



Add your business to the terminal and see the multiple, the model, and the memo.

DM the word TERMINAL for access