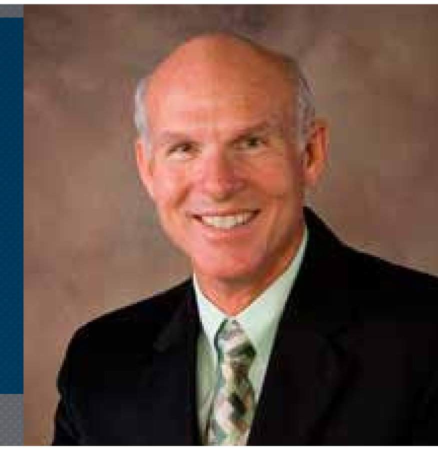
Terry Monroe
American Business Brokers & Advisors
7824 Estero Blvd., 3rd Floor
Fort Myers Beach, FL 33931

9	2	8	1	7	3	6	4	5
1	7	6	4	5	8	3	2	9
4	3	5	2	6	9	1	7	8
3	6	4	9	2	1	5	8	7
2	9	7	5	8	6	4	1	3
5	8	1	7	3	4	9	6	2
6	5	3	8	1	7	2	9	4
8	4	2	6	9	5	7	3	1
7	1	9	3	4	2	8	5	6

Sudoku Solution

PRST STD
US POSTAGE
PAID
BOISE, ID
PERMIT 411



Terry Monroe

American Business Brokers & Advisors Founder & President

PROFESSIONAL INTERMEDIARY & MARKET MAKER FOR PRIVATELY HELD COMPANIES

Author of 'The Art of Buying and Selling a Convenience Store' & 'Hidden Wealth'

Involved in the Sale of 800+ Businesses

Advisor • Consultant • Speaker

INSIDE

How to Get From 'Zero to One'

That's entrepreneur and author Peter Thiel's favorite interview question. To Thiel, a person's answer to that question provides insight into whether they'll be able to find success as an entrepreneur. Ideally, if you can answer with something like "Most people believe in X, but the truth is the opposite of X," then you're well on your way from zero to one and creating an original business idea. That's what Thiel explores in his book "Zero to One: Notes on Startups, or How to Build the Future."

"Zero to One" is all about coming up with and nurturing unique ideas, which are the foundation of game-changing businesses. As a co-founder and investor in a number of companies that have changed the business landscape, Thiel has some authority on this subject. He co-founded Cofinity (which later became PayPal) and invested in startups like Facebook, SpaceX, Lyft, and Airbnb whose ideas were so novel at the start that they were perceived as risky by many.

Throughout the book, Thiel shares his wealth of knowledge garnered from a long, successful career of recognizing and acting on original ideas. According to him, and anyone else who has ever tried creating something wholly unique, developing an original idea is no easy task. The difficulty of originality even led Mark Twain to once say "There is no such thing as a new idea. We simply take a lot of old ideas and put them into a sort of mental kaleidoscope."

But in "Zero to One," Thiel proves that coming up with original ideas is possible, and he provides readers with helpful tips and lessons for how to get there. One such lesson: Stop trying to be the next Bill Gates or Mark Zuckerberg because "if you're copying these guys, you aren't learning from them."

Thiel uses his favorite interview question to try to identify original thinkers. These are the people who take their businesses from zero to one because they looked at past successes and thought, "I can do it differently, and I can do it better." If you want to be in that group, then reading Thiel's advice in "Zero to One" is a great place to start.

Beware: The Taxman Is Coming

How You Can Prepare for His Visit

"Let me tell you how it will be. There's one for you, nineteen for me. Should five percent appear too small? Be thankful I don't take it all. 'Cause I'm the taxman. Yeah, I'm the taxman …" — from the song "Taxman" by the Beatles in 1966.

Now, I am not an accountant and, therefore, cannot give anyone tax advice. However, I do know how to read, and I subscribe to various publications about taxes. From what I have read, a lot of the tax policies proposed by the Biden administration could affect business owners in a number of different ways.

We all pay taxes in many forms, including sales taxes, real estate taxes, local taxes, state taxes, and federal taxes, just to name a few. However, since I work as a professional intermediary who helps business owners sell their businesses, I am particularly interested in how new tax policies could affect my clients. One particular way these new policies could affect business owners who are trying to sell their business is through changes to taxes on capital gains.

Capital gains are the profits from the sale of an asset, such as shares of stock, a piece of land, or *a business*, which is generally considered taxable income. The tax rates on these gains depend a lot on how long you held the asset before selling. In 2020, the capital gains tax rates were either 0%, 15%, or 20% for most assets held for more than a year.

However, upper-income individuals will face higher capital gains taxes under the Biden administration. Currently, the maximum effective federal income tax rate on net long-

term capital gains and qualified dividends recognized by individual taxpayers is 23.8%. Under the Biden administration's plan, net long-term gains collected by those with incomes above $1 million would be taxed at the same 39.6% maximum rate proposed for ordinary income and net short-term capital gains. With the 3.8% net investment income tax (NIIT) add-on, the maximum effective rate on net long-term gains would be 43.4% (39.6% plus 3.8%). That would be almost double the current maximum effective rate of "only" 23.8%.

If the Biden administration gets their way, and with the Democrats controlling both the House and the Senate, this means "taxing the rich" (which some define as "anyone who owns a business") will most likely pass. If you have worked most of your life to build a successful business and hope to someday sell it and retire on the profits, under this tax plan you might have a lot less money to do so after paying more in taxes. This increase in capital gains tax has not happened yet, but experts say it will probably be implemented on Jan. 1, 2022.

So, what is a business owner to do? My suggestion is to start planning now and researching all your options as to how you can mitigate the amount of taxes you would have to pay if you should decide to sell your business.

I know some people may think I am crying wolf on the capital gains taxes in hopes of trying to get someone to sell their business. Please understand only one person can decide if a business is going to be sold and that is the business owner. My job as a professional intermediary is not to try to talk people into selling their businesses but to inform them and guide them to the finish line once they have decided to sell their business and help them get the most amount of money as possible in their pockets.

If the increased capital gains tax does come to fruition and business values continue to increase, one may miss the point of this article. Whereby, if one should wait until after Jan. 1, 2022, they may get more money for their business, but they will be putting less money in their pocket because of the taxman.

–Terry Monroe

Craft the Perfect Follow-Up Email

The (Not So) Secret Recipe

When it comes to securing leads, the follow-up email is hard to beat. One study found that a 12% response rate from two emails increases to 15%–16% with a third email. If you play your cards right, the success of your email marketing could, in large part, depend on your follow-up emails. So, how do you create ones that maximize positive responses from leads?

Know your goals.

You should have a clear idea of what you want to accomplish with your email campaign. Which metrics are most important to you? The number of times recipients open your follow-up email? That they click a link in the text? That they reply? Maybe tracking total conversions resulting from follow-up emails is important to you. Whatever the case, knowing your goals is a good first step.

Find the ideal number of follow-ups.

Obviously, not following up at all is a recipe for abandoning several potential leads. However, sending too many follow-ups can leave potential leads annoyed and unwilling to look into your business. According to several studies, the ideal number of follow-up emails is no less than three, but no more than seven.

Time your follow-ups right.

You don't want to space your emails so far apart that leads forget about you, but you also don't want to spam their email box so often that they get annoyed. A good rule of thumb is to wait at least 48 hours before sending a follow-up email after the initial email. After that, wait 2–4 days before sending another.

Craft appealing content.

This point is worth its own article, but briefly put, your follow-up email content is incredibly important. Create a subject line that will grab readers' attention. Then, be polite, direct, friendly, and personable in each email. As you send out more follow-ups, become more specific about the deal you're offering and make it more enticing.

Above all, you should constantly tweak your follow-up content and overall strategy as you gain new information. As you continue to create follow-up emails, you'll learn what works best.

What Do You Want to Do

AFTER SELLING YOUR CONVENIENCE STORES?

At one time or another, we have all thought about what we would do if we sold our business. I am sure the idea of moving to where it is warm and being able to enjoy life sitting under a palm tree is one of those thoughts. That said, though, how many people actually get to do this?

Well, my friend Bob O'Connor did just that. When I first met Bob, he was not interested in selling his convenience stores. As a matter of fact, he and his business partner Tim were happy with their stores and their business, and for good reason: They were very good operators. In fact, I would go as far as to say that Bob and Tim were some of the best operators I had ever met.

However, Bob knew the convenience store industry was consolidating, and the value of convenience stores had been increasing. So, he was willing to listen to and learn from what I had to say. After a couple years of maintaining a dialogue with Bob and Tim, they decided the time was right for them to consider stepping away from the convenience store business. Like most exit plans, certain issues needed to be addressed for the plan to work, including the timing, taxes, and the financial side of the exit.

Together, Bob, Tim, and I met with their accountant and attorney and were able to create the right plan to allow Bob and his business partner to step away from their business.

And did Bob do what he wanted to do after he exited the convenience store business? Well, they say a picture is worth a thousand words, and from the photo, I would say Bob and his dog, Whistle, are having a pretty good time!

Another Silver Lining of the Pandemic

AN ENTREPRENEUR'S TRIAL BY FIRE

According to Entrepreneur, 23% of small businesses in America started as personal hobbies or passions. Many entrepreneurs just started doing something they loved in their spare time and figured out how to market their hobby as a business. During the pandemic, this trend has surged somewhat and could lead to increased small business growth well into the future.

People are spending more time at home, whether that's because they work from home now, their hours at their regular job were cut, or they were laid off. This has many people looking for "side hustles" or other means to make money besides their main source of income. If they had a hobby, such as bookbinding, woodworking, screen printing, or something else they just did for fun before the pandemic, they might be seriously thinking about turning it into a source of income.

According to the adage, if you do what you love, you'll never work a day in your life. Maybe. But finding out what you love doing is necessary to discover what kind of business you would want to start and run. For that reason, the pandemic could have led lots of people to leave their regular jobs to do something they actually enjoy.

Starting a business, or even buying a business that is already established, is a risk. You're the ultimate decision-maker, and your business will succeed or fail, depending on the effort you put into it. That's enough to keep most people (particularly many young people) from becoming entrepreneurs. However, since the pandemic shook up plenty of people's employment situations, many people were finally convinced to commit to a life of being their own boss and making money doing what they love.

Now, that wouldn't be a bad outcome of this past year, would it?

Take a Break!

WORD SEARCH

E	A	H	X	W	U	Z	E	F	G	A	C	J	B	W
H	N	M	D	D	K	R	P	W	N	R	B	A	T	O
U	Y	V	A	N	I	Q	N	W	N	I	S	G	D	B
U	V	I	I	O	O	G	A	R	D	E	N	Y	M	N
I	S	L	D	R	J	M	J	K	B	S	M	B	U	I
Y	Z	C	I	X	O	Y	A	A	R	H	H	H	D	A
K	T	H	Z	N	F	N	L	I	K	X	F	V	X	R
U	P	O	B	K	V	L	M	F	D	H	S	C	F	D
X	W	C	S	E	I	R	R	E	H	C	S	A	K	B
L	D	O	A	S	J	A	I	W	N	R	F	W	Y	T
U	X	L	R	R	H	Z	F	L	E	T	Z	C	G	K
K	L	A	T	K	B	X	Q	W	M	S	V	K	Q	V
V	S	T	D	O	J	O	O	E	T	I	K	W	L	P
R	D	E	J	X	R	H	R	M	O	X	K	P	N	H
P	D	U	T	L	S	H	N	I	T	M	Y	M	F	J

ARBOR	CHOCOLATE	GARDEN
ARIES	DAISY	KITE
BASEBALL	DIAMOND	RAINBOW
CHERRIES	ENVIRONMENT	SHOWERS

SUDOKU (SOLUTION ON PG. 4)

	2					6		5
1	7			5				
					9			
3				2			8	
			5				1	3
					4			2
		3		1	7		9	
8	4					7		1
			3		2			