

Intermediary Insight

A quarterly publication compiled and distributed
by Professional Business Brokers, Inc.
September 2008—Issue 3, Volume 1

In This Issue:

Get to know your TEAMI: PBBI Orlando

Buyer Update: Andy & Allison Ford of
Mail Stop & More in Melbourne, FL.

International Corner: (Sweden) Featuring
Per & Cecilia Martinsson, new owners of
Florida East Coast Builders Exchange.

Immigration Outlook: What to look out for.

Economic Outlook: A Business Broker's Prospective



Get to Know your TEAMI
Affiliate Office:

Orlando, Florida

Robert Santiago,
Business Intermediary

[Se Habla Español](#)

Buyer Update:

Q: What was your experience like with PBBI?

A: Throughout all stages of the sale...identifying suitable businesses, negotiations, due diligence and the closing, the PBBI team and Geory specifically, were helpful, courteous, professional and friendly. PBBI helped us find a unique combination of the right type of business and the right location, for a fair price. What may surprise people, who don't know them, is how interested and helpful they have been after the sale was completed. I feel we have made a friend as well as a new business relationship.

Q: What did you think about the process of buying a business in the U.S.?

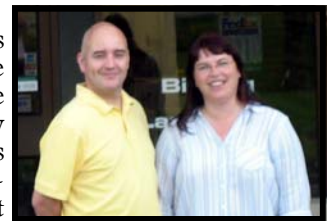
A: Well, I wouldn't be entirely truthful unless I said it was lengthy and "interesting". What made the process bearable for us as buyers, and I also believe for the business sellers, was that PBBI were truthful and honest throughout the process. Both parties were fully aware of the timelines involved with the visa application process, and PBBI kept the sellers updated of progress throughout. For us, the support provided by PBBI was a source of great comfort, and I believe this was the same for the sellers.

Q: How do you like living here?

A: One of the key criteria we had when looking for a business was the local demography. We chose the business as much for the quality of schooling and the area as for the track record of the business. What has been a bonus is that the local people of Suntree have welcomed us with open arms and supported us through the transition. Alison and I cannot thank them enough for the personal and professional advice and support they have given us. The children have settled quickly, and I for one, am a big step closer to living on the beach!

Q: How has your experience been so far with owning your business?

A: At only 8 weeks in, it feels like we have been running the business for years. There were no surprises and it was exactly what we expected. The previous owners prepared a great hand-over and special mention must go to the staff, which has been absolutely amazing. We couldn't have managed without them.



(Continued Pg. 2)

International Corner:

Q: How was your experience with PBBI?

A: The experience we have had so far with PBBI has been great! All the employees were very friendly, sincere and of course efficient!

Q: What did you think about the process of buying a business in the U.S.?

A: It was more complex than in Sweden and more costly but when it's all said and done with. It also feels safe and it was a very good fit. From this point and on, we only need to apply energy and business skills. PBBI helped us to choose the right business for "US".

Q: How do you like living here?

A: We love the U.S. and especially Florida! Palm trees and sun; can't go wrong with that! Almost everything is cheaper. For example the gasoline is half price and shipping from here to Sweden is as costly as shipping inside Sweden would be. People here are more friendly and helpful.

Q: Why did you pick Brevard County?

A: Brevard seemed to have a little of everything. Not too many tourists and not too expensive, but not too far away from the attractions

in Orlando, the beach and the Kennedy Space Center.

Q: How has your experience been so far, owning your own business?

A: Everything has so far been really good! The former owner has helped us in many different ways, as well as our employees. All their 'know how' has made it real easy to understand and to learn about how we have to run the business.



Q: Would you recommend using PBBI to other international buyers looking to come to the U.S. and establish themselves with a business?

A: Absolutely!!! We couldn't imagine any better assistance to get a new business and a new life. They have taken care of us during the whole process and put in so much effort and time into helping us get a good company and get established! We were even able to reach them during weekends! Fast answers, every time! Thank you Geory, John and of course Hans Spies in the Netherlands!





International Buyers, a Possible Solution for Tough Economic Times

by: Geory Stivers,
Certified Business Intermediary

Problem: *The U.S. economy is flat and investor confidence is on hold.*

Solution: *Target investors with a strong currency against the U.S. Dollar.*

In 1991 PBBI established an International office to work with European buyers interested in investing in the United States. Located in The Netherlands, this office interfaces with buyers throughout Europe and markets our listings to those looking for U.S. based investments. To date, this market segment has only accounted for about 12% of our sales. However, this percentage has skyrocketed to an astonishing 80% this year. A slow U.S. economy and a weak dollar created a perfect international investor scenario. In other words, International business has helped augment a slow domestic year. Want to know how to tap this market? Here are some suggestions:

Understand the Buyer's motivation. What is driving their desire to move and invest in this country? Focus on Treaty Nations or countries that have a reciprocity agreement with the United States. There are currently over 70 countries with some type of agreement in place. A list of these countries may be found at: http://www.travel.state.gov/visa/frvi/reciprocity/reciprocity_3726.html. Regardless of your product, the ability for buyers to get visas, or travel in and out of the U.S. with ease, can only help the relationship.

Focus on a country that makes the most sense to you. That is, pick one country to start with and focus on your strengths. Do you speak the language? Do you understand the social and economic culture of that country? Have you met people from the country that might be able to provide you with some insight? Do your research because you will have to explain the differences that exist in order for your Buyer to feel comfortable.

Focus on a country with a strong currency. Andorra, Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Monaco, Montenegro, Netherlands, Portugal, San Marino, Slovenia, Spain, and Vatican City are all currently using the Euro. During 2007, a single Euro was worth about \$1.50 Dollars, giving them strong buying power in the U.S.

Find a good international attorney. This is critical! Find a locally-based International attorney that has established a professional track record doing business in the country of interest. An attorney that knows and practices the law as compared to one that recites the law will save you clients and embarrassment. You should have someone that speaks the language, understands the country and its laws, as well as U.S. import/export laws.

Update your website. Make at least a page of your site user friendly for your International buyer. More times than not, your U.S.-based page is not even included in International search engines.

Financing. There are a number of loan programs designed to help fund export businesses. You will need a business plan explaining the product, target market, marketing plan, and what the funds are being used for. For more information go to the Export-Import Bank of the United States website at:

<http://www.exim.gov/>. They are the official export credit agency of the United States and they have a tremendous amount of information to assist small businesses. Ex-Im Bank's mission is to assist in financing the export of U.S. goods and services to international markets.

Establish your international partnership. Now that you have the groundwork and infrastructure in place, reach out to possible partners in your target country. The IBBA may be a good place to start. The International Business Brokers of America, <http://www.IBBA.org> is an organization of International Business Brokers. If there are IBBA members in your target country, send them an email asking for some direction. Almost all speak English and should be tied into the business community.

Watch legislation. Shipping particularly has undergone a heightened security tightening recently which may cause some markets to undergo scrutiny. Although Ex-Im can likely help with some of these questions, contact a good international shipping company and ask about the fees, laws, and regulations you should know about.

Exploring an entirely new market is a difficult thing to do and the time it takes to get it off the ground will vary from industry to industry. This is especially true when dealing with a different country with different taxes, laws, regulations, pricing, currency, and culture. Although the hard work may not pay off for years to come, having an international market will likely diversify your business and result in a much more stable business cycle.



(Continued from Pg. 1)

Q: What have you changed about your company, how have you improved the business model you purchased?

A: The business has been operational for 16 years, eight under the last owners. And I don't agree with change for change's sake. We are taking time to understand the business, our staff and our customers. Ultimately, the customers will drive change; we will provide what they want. The customer was, is and always will be king!

We have made changes to two areas....Mail Stop & More has always provided a good copy service, but services were limited. Based on customer feedback, we have upgraded the system to allow people to email their copy jobs directly to us. The copiers complete the work tailored to the clients' schedule, and deliver the project for free; saving businesses time and money. We hope local businesses will take advantage of this new service, often not provided by the larger chains.

The second change is with our pack & ship. Not everyone is aware, but we uniquely offer the choice of shipping from UPS, FedEx, DHL and the USPS. We have recently upgraded the registers and trained our staff, so that whenever a person ships, we automatically offer a choice from all carriers, to ensure our customers get the best shipping price. I think only an independent store can offer this service. We have also added account facilities and discounts for regular users.

We like to think our customers have "a friend" in the shipping business and we will gradually make changes to the business to meet our customers' ever-changing needs. For more details on our new copy services, account facilities, shipping discounts, etc., call Andy & Alison Ford: 321-259-6923 or mailstopandmore@bellsouth.net. The Mail Stop & More, 6300 N. Wickham Road, Suite 130, Melbourne Florida 32940.



Economic Outlook: A Business Broker's Perspective.

Professional Business Brokers, Inc.

Just over two months away from the Presidential election and the general economy is looking better on a national level. Fuel prices are dropping, housing starts ups are climbing slightly, foreclosures are down, and although the unemployment rate is still a little high at just over 6%, it's at least stable.



According to www.PollingReport.com, consumer confidence bottomed out in June and is increasing. With that said, it seems most are sitting tight to see what happens come November. This means consumers are holding off on major purchases and new buying commitments, resulting in a stagnant real estate market and business brokerage market.

Florida is recovering, but the bounce back is slow. Foreclosures are still high and although inventory is decreasing, pricing and home values have yet to respond. Estimates report, that Brevard County homes will sell about 20% less than what they are actually worth, should residents need to sell today.

**Florida:
1%-2.5%
population
growth rate per
year, for the
next four years.**

In the end, people are still moving to Florida. With a population of about 18,850,000, expectations are steady growth of 1% to 2.5% per year for the next four years. The bright spot here is that our largest population segment is between 40 and 64 years old. This will help drive the local economy and build a more stable population. Once those looking to retire to Florida can sell their homes in

other states, the expectation is a small spike in home sales and growth in the 65+ demographic.

Although the U.S. Dollar is strengthening, it is still weak against many other international currencies. This has increased exports and inspired international tourism and visa applications, translating into a surge of business sales to foreign investors looking to qualify for an E or L visa.

Here at PBBI, our European office is looking at a backlog of investors creating a deficit of good, viable businesses here in Florida. This is good news for our clients as demand drives the value of their business and often translates into a win/win situation.

For more information, please feel free to contact a Business Intermediary at Professional Business Brokers, Inc. or go to our web site at WWW.PBBI.COM.



Immigration Outlook

by: John M. MacDaniel, P.A.,
Immigration Attorney
The Law Firm of John M.
MacDaniel, P.A.



Business visas to invest and work in the U.S. are alive and well, with a couple of concerns.

Processing times at the U.S. Consulates abroad and the continued unavailability of sufficient H1B Professional working visas are the current problem.

At some of the main European Consulates, including London, Paris and Amsterdam, the time it takes the Consulates to review the applications can take as long as six months under the worst circumstances, but certainly four months frequently is the rule.

Careful planning therefore becomes necessary to avoid either having to wait abroad while the cases are processed or entering the U.S. on tourist visas, changing the status and then returning to Europe to have the visa issued at a later date.

Potential investors must remember that entering the U.S. on the visa waiver program does not allow for a change of status to a business visa. There are also going to be requirements in the future for those wishing to utilize the visa waiver program to register online prior to entering the U.S.

The continued quota for H1B professional visas (approximately 55,000 per year) frequently hurts companies searching for "professionals" which require a person to have a Bachelor's Degree or higher and be coming to the U.S. to fill a position that requires, at the minimum, a bachelor's degree. The information technology industry uses around 1/3rd of these visas annually, as well as architects, engineers, interior designers, teachers, to name a few. Overall L-1 and E-2 visas are the future of foreign businesses and individuals looks good for continued investment and living and working in the U.S.



Contact Us, We'd Love to Hear From You!

Professional Business Brokers, Inc.

Corporate Headquarters

6550 N. Wickham Rd. Unit 4

Melbourne, FL 32940

Phone: 321.259.8607

Toll Free: 888-287-7763

Fax: 321.259.1673

info@pbbi.com

www.pbbi.com



We support responsible and ethical email marketing practices. Please know that we respect your right to be purged from this marketing campaign. Should you wish to be removed, please send an email to remove@pbbi.com with the word "REMOVE" in the email subject line. This correspondence may be a newsletter, press release, solicitation or advertisement. We encourage and support best practices in responsible email marketing.