

STEVE LITTLE

The M&A Multiplier Playbook

24 DRIVERS TO BOOST VALUATION 2X-12X
IN 6 MONTHS OR LESS

**Make sure you watch the
webinar...**

4 Key Principles

#1 Risk / Value Equation

Higher the Risk of Ownership = Lower the Value

Anything the business owner can do to reduce risk, increases value

#2 Valuation vs Trans Value

“Valuation” Does Not Equal Transaction Value

#3 Sold Not Bought

Each business at any time has multiple potential buyers. The value they associate with your business is related to the increase in value of their business by owning your business

#4 Exit Strategy

An Exit Strategy is NOT about the Exit...
It's about the Strategy



Why Should You Listen to Me?

Over 400 Deals 40 Years of Experience





About Steve Little

Steve Little is an acclaimed serial entrepreneur, investor, philanthropist, and mergers and acquisitions expert well known for generating accelerated value growth and extraordinarily high acquisition value multiples for his companies and clients.

He sold his first company at age 15 for nearly \$250,000 and never looked back. Steve has founded and scaled 6 successful startups of his own to private 9-figure acquisitions and has assured his many clients explosive value growth, highly lucrative acquisitions often at 10X-20X multiples, and impressive IRR as founder and managing director of Zero Limits Ventures.

At Zero Limits Ventures, Steve spots unique opportunities for valuation growth where others don't – whether triple bottom line social impact models, customer engagement strategies, or other strategies beyond revenue and earnings growth. Steve has also raised more than \$1.6B in startup and growth funding for a multitude of businesses in a broad range of industries. He led the buy-side M&A team for a major technology innovator, acquiring and successfully integrating 9 companies in less than 12 months.

Known as the “The Activator”, Steve has personally taught, coached and mentored hundreds of business owners, corporate executives and entrepreneurs, helping his clients overcome the myriad of complex challenges to develop breakthrough strategies for peak individual and team performance, rapid scaling, and conscious leadership to generate truly legendary impact and astounding financial returns.

24 Value Drivers

Our first step in working together is to generate a “Value Driver” assessment that gives you a step-by-step, prioritized roadmap of how to increase the value of your business for a “right fit” buyer that we find for you. What follows is an overview and description of each value driver.

24 Value Drivers

1

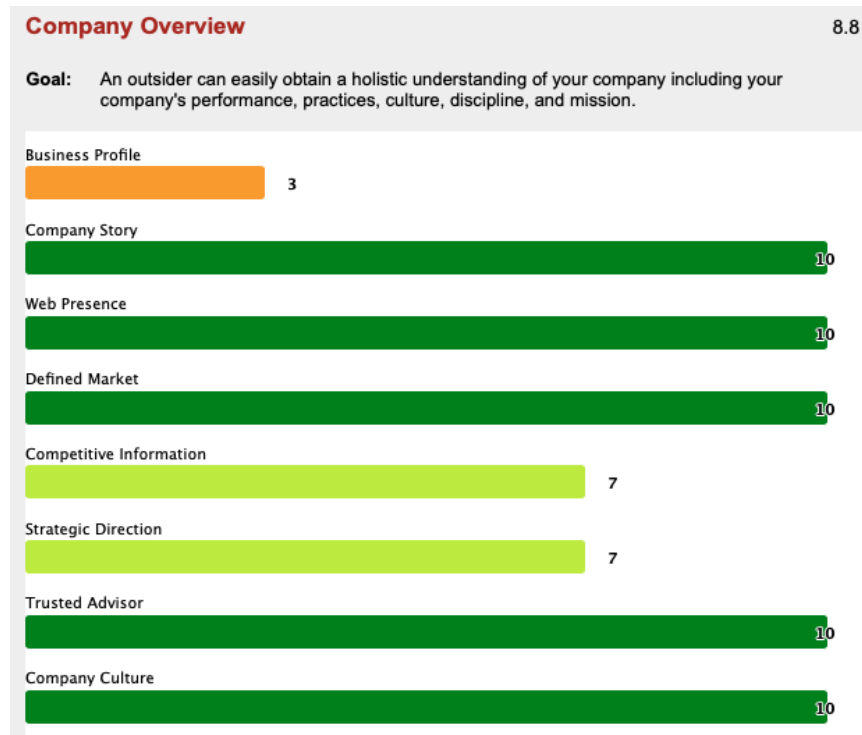
Company Overview

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

1

Can an outsider easily obtain a holistic understanding of your business, including its **performance, practices, culture, discipline and mission?**

Example from real report



2

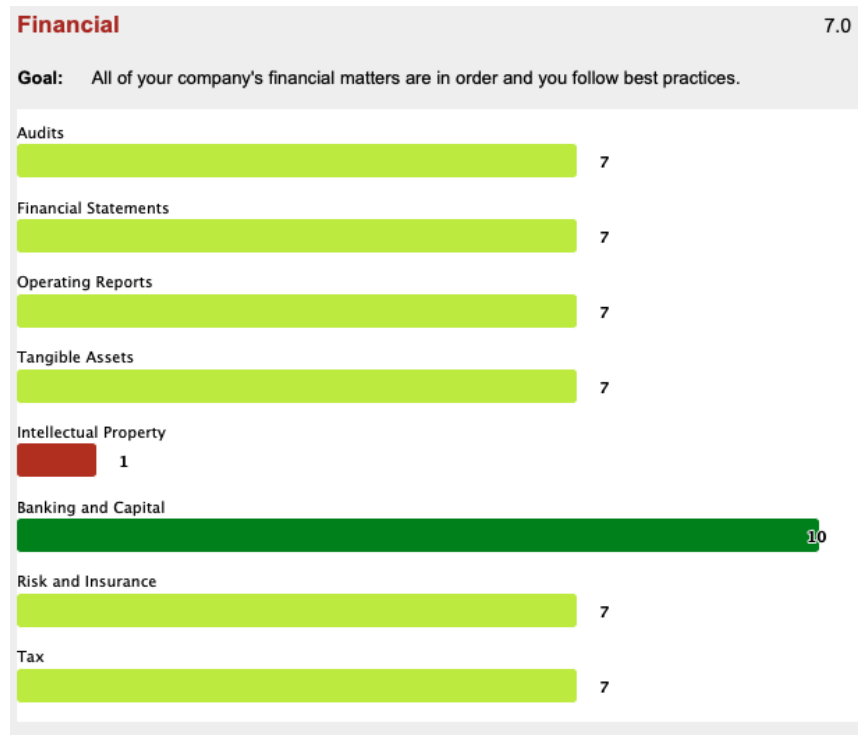
Financial Matters

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

2

Are all of your company's **financial matters in order**, and do you follow best practices?

Example from real report



3

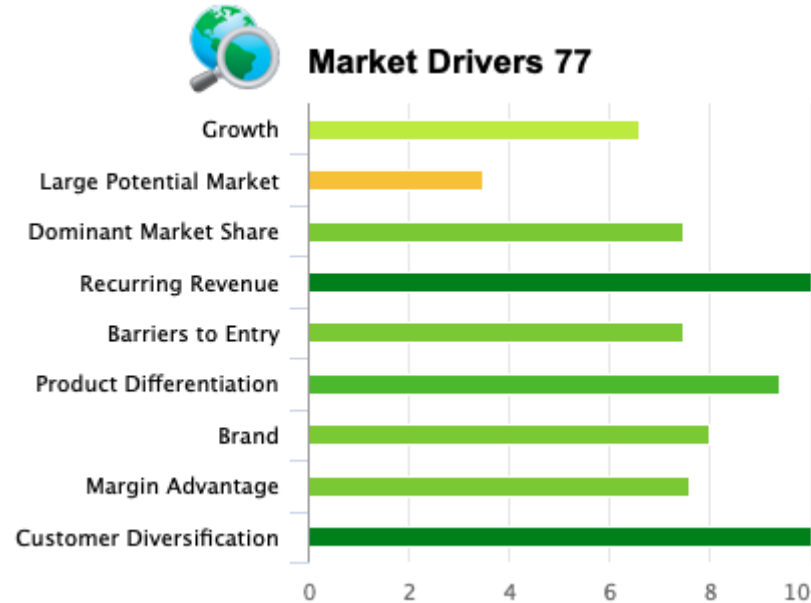
Sales and Marketing

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

3

Can your business **produce revenue** in a **proven, systematic way**, ensuring the business is sustainable and not simply based on the efforts of individuals within the business today?

Example from real report



4

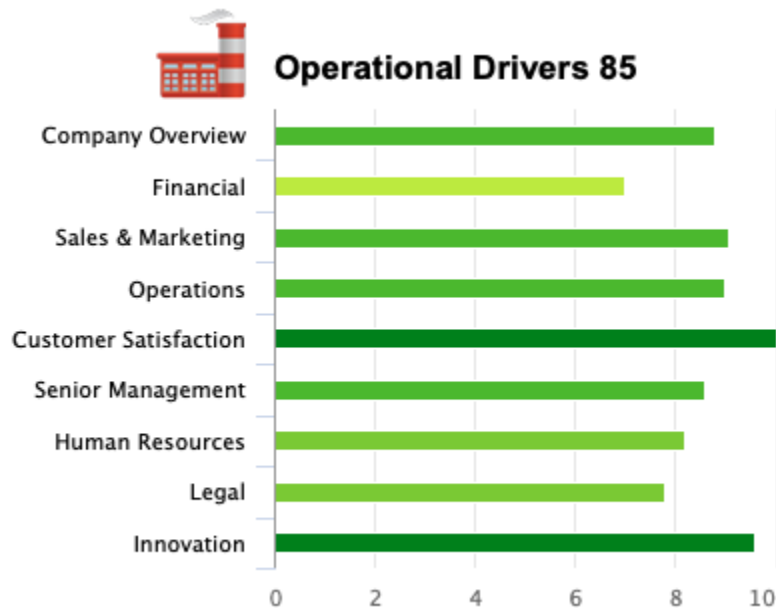
Operations

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

4

Does your business **deliver on the sales promises** made to the marketplace in a **systematic, process-driven** manner?

Example from real report



5

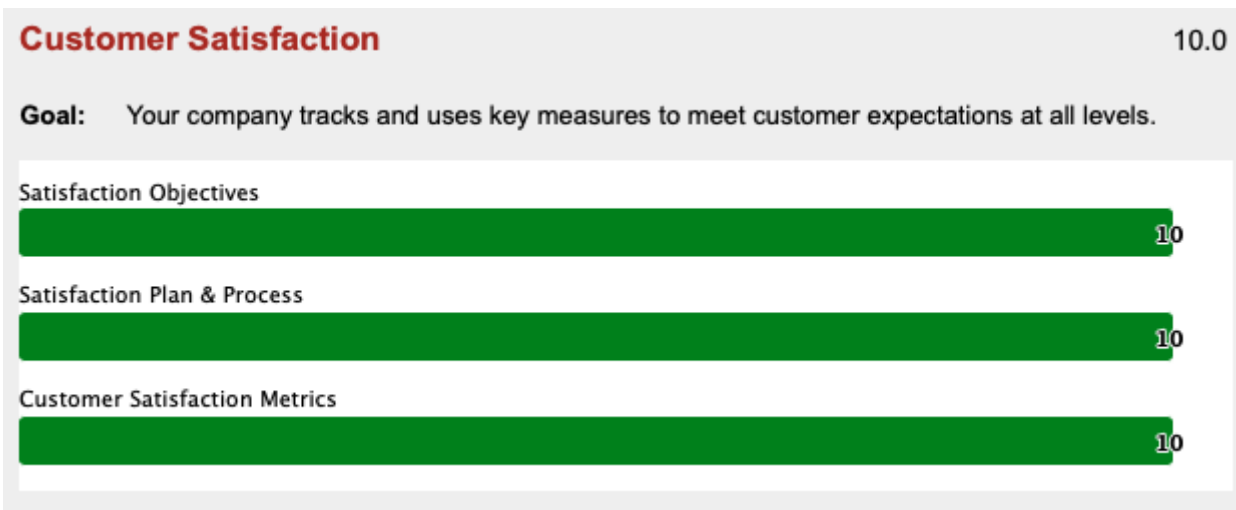
Customer Satisfaction

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

5

Does your business track and use key measures to **meet customer expectations at all levels?**

Example from real report



6

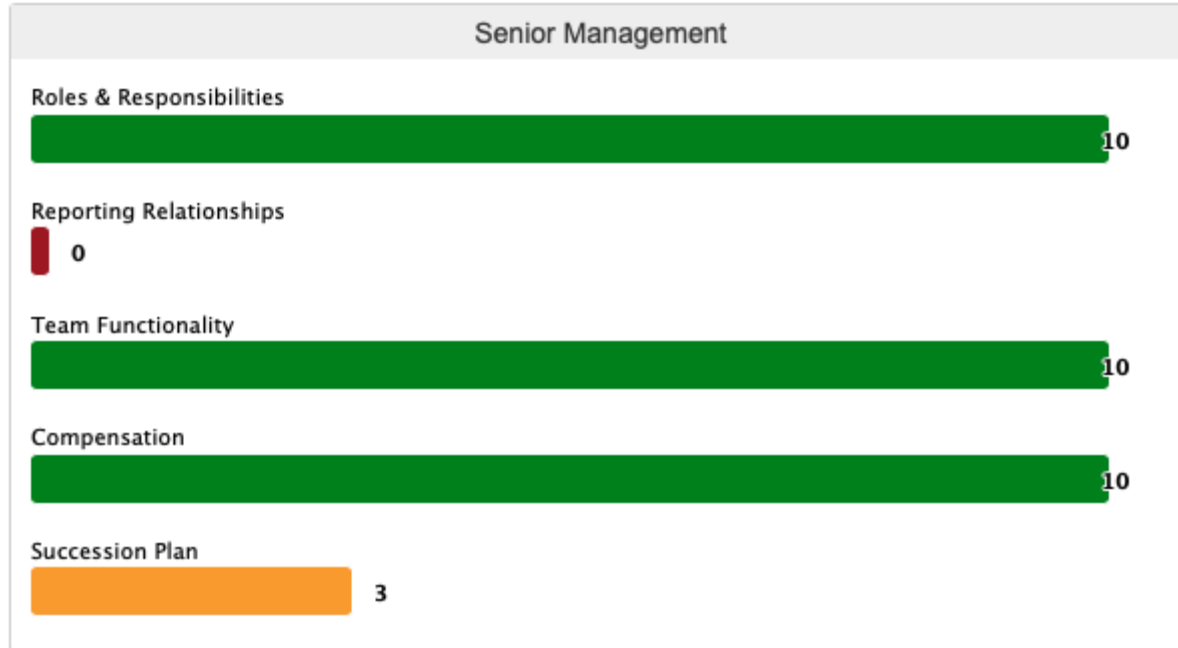
Senior Management

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6

Does your business have a **leadership team/individual** in place to realize the business' vision and mission while helping the owner achieve his/her objectives?

Example from real report



7

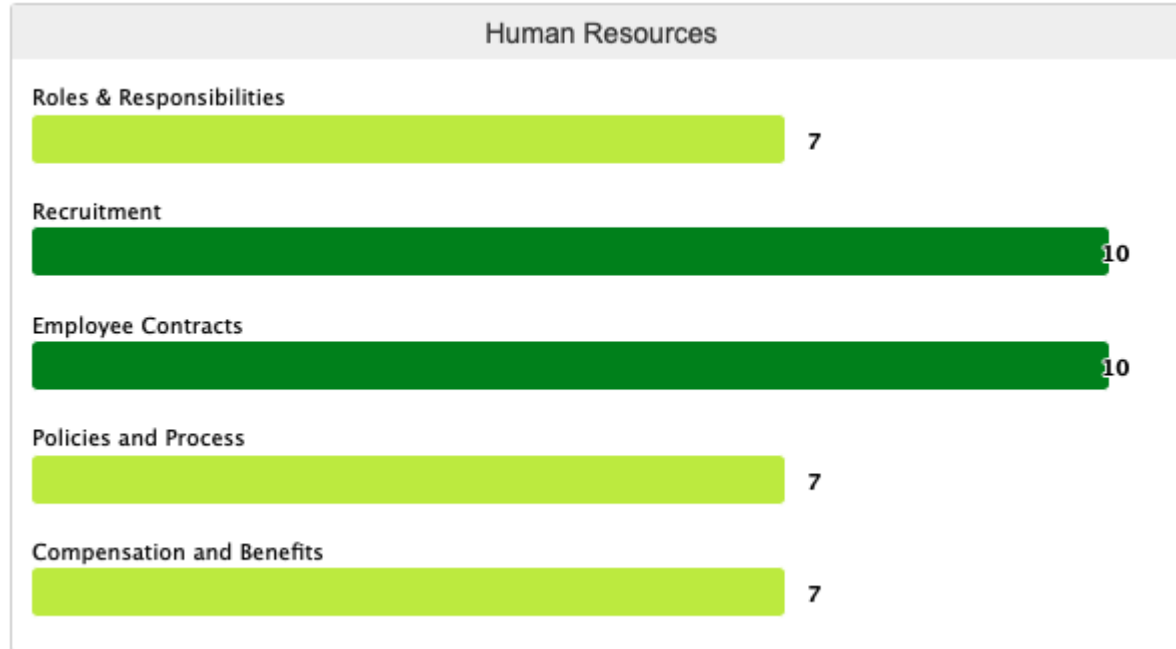
Human Resources

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7

Does your business have the ability to **find, develop and retain quality individuals** that enable success in all aspects of your business?

Example from real report



8

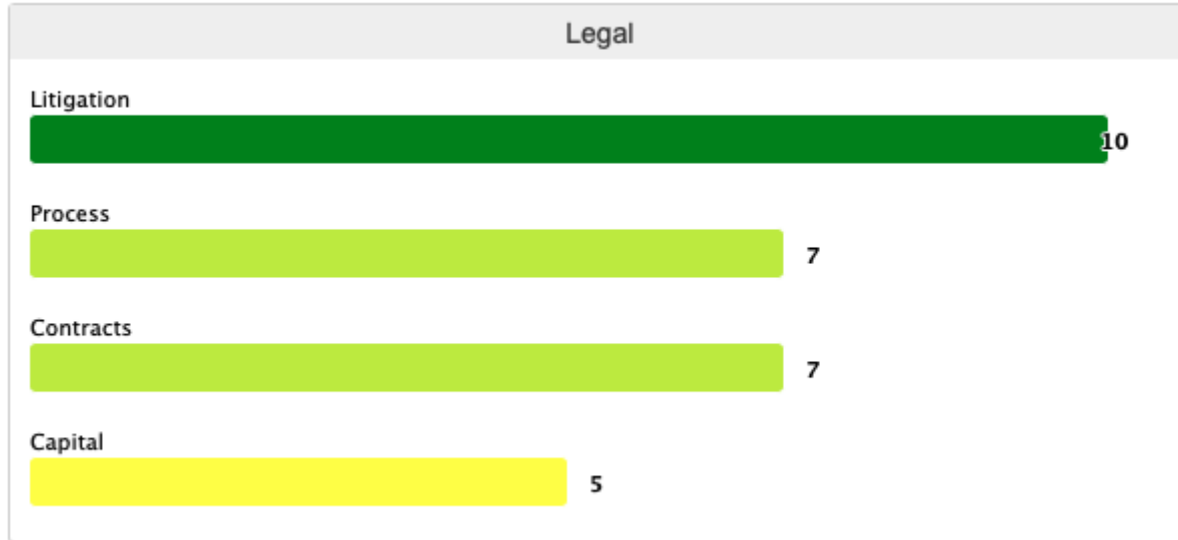
Legal

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8

Do you have all **legal matters in order**, documented, and does your business follow best legal practices?

Example from real report



9

Innovation

24 DRIVERS TO BOOST VALUATION 2X-12X IN 6 MONTHS OR LESS

9

Does your business have a
proven, systematic way to
drive and capture innovation
at all levels?

Example from real report

Innovation

9.6

Goal: Your company understands that innovation is invaluable to creating an ongoing competitive advantage; it has a proven and systematic way to drive and capture innovation at all levels and encourages innovation in every area of the business.

Culture and Rewards



Process



Collaboration



Metrics



10

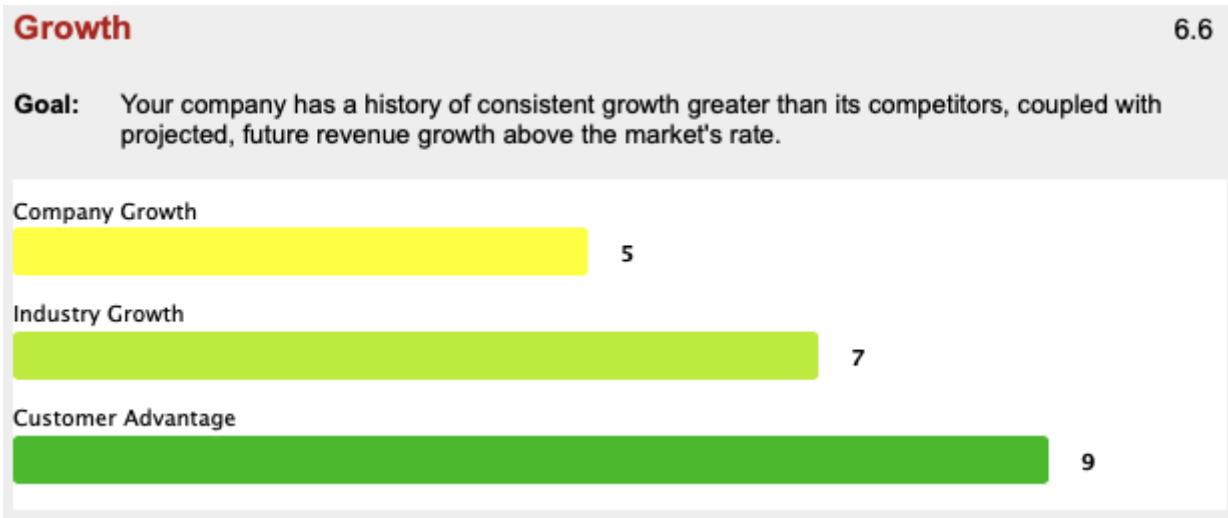
Growth

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10

Does your business have a history of **consistent growth greater than its competitors**, and projected future revenue growth above the market's rate?

Example from real report



11

Potential Markets

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11

Does the market support
significant growth of your
business?

Example from real report



12

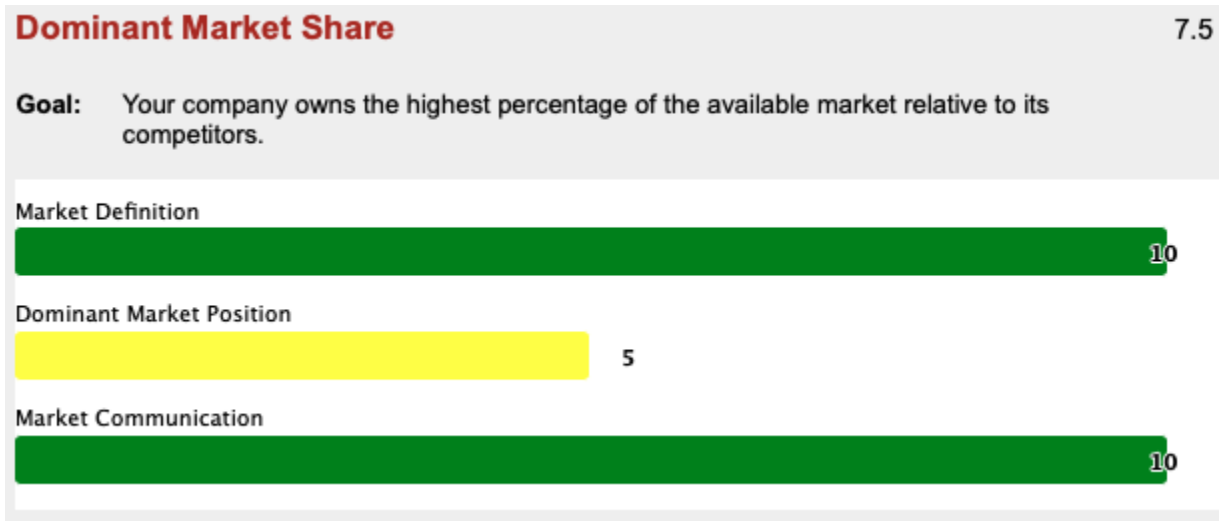
Dominant Market Share

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12

Does your business own the **highest percentage of the available market** relative to its competitors?

Example from real report



13

Business Model

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13

Your company's business model
can **effectively and profitably**
support your customers' needs
now and in the future.

14

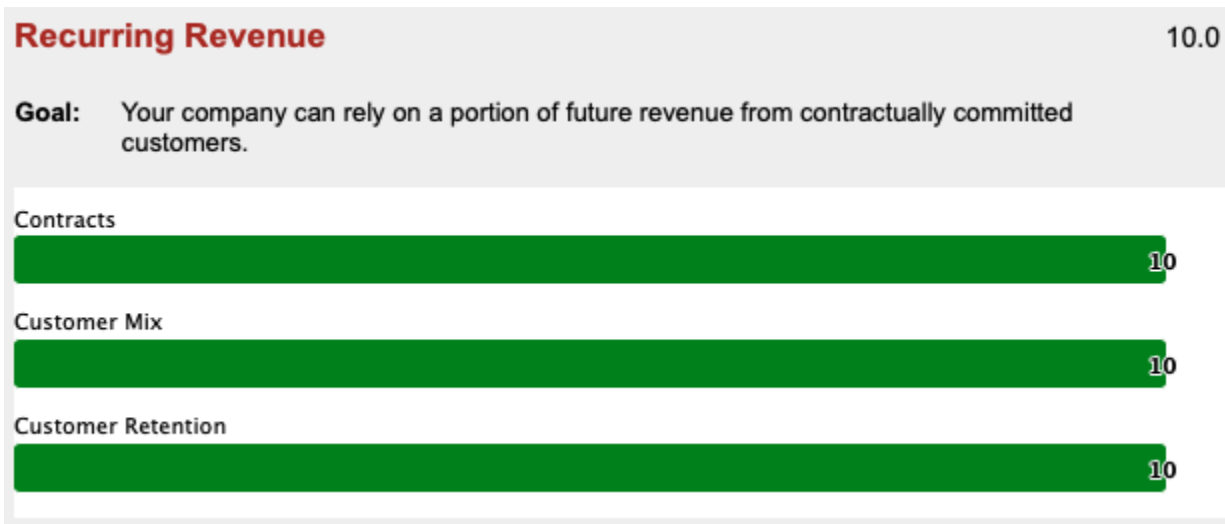
Recurring Revenue

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14

Can your business rely on a portion of future revenue from **contractually committed customers**?

Example from real report



15

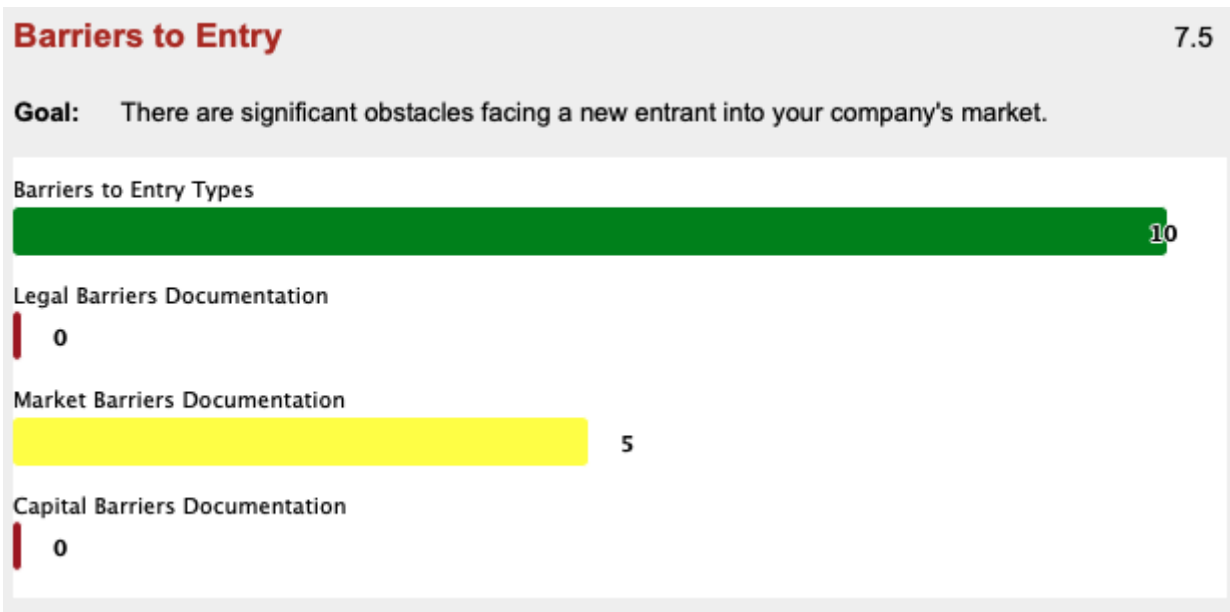
Barriers to Entry

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15

Are there **significant obstacles** facing a new entrant into your business' market?

Example from real report



16

Product Differentiation

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16

Does your business have a product or service with **unique characteristics** that provide a **competitive advantage**?

17

Brand

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17

Does your business have a **recognizable brand** that reinforces its marketplace presence and supports company objectives?

18

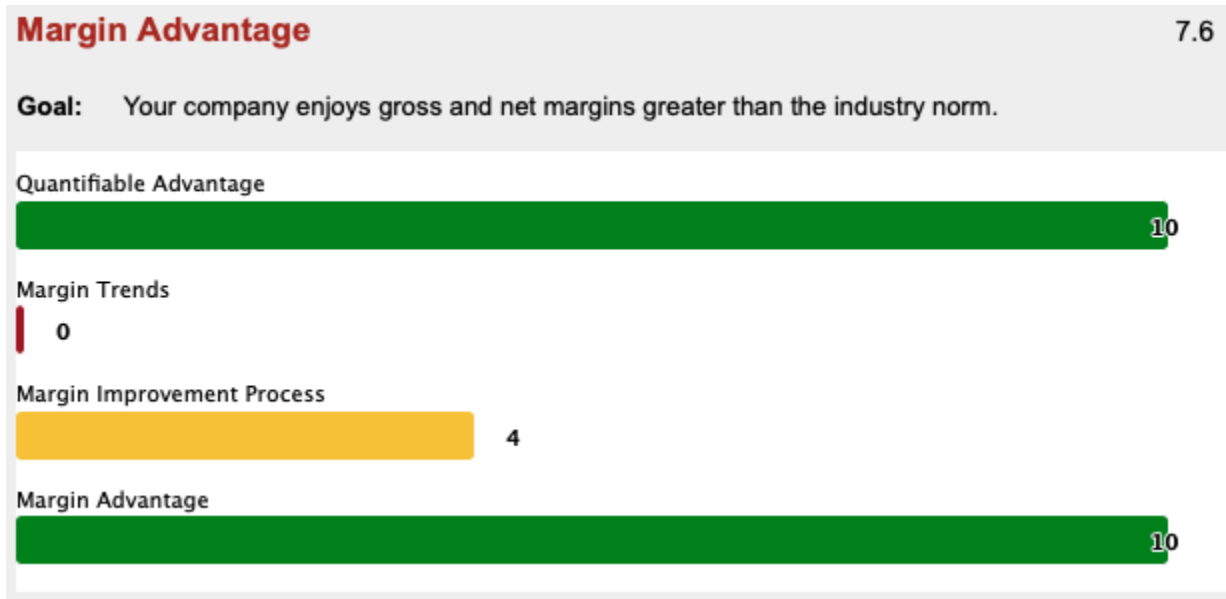
Margin Advantage

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18

Does your business enjoy
gross and net margins greater
than the industry norm?

Example from real report



19

Customer Diversification

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19

Does your business have a
**well-diversified
customer base?**

Example from real report

Customer Diversification

10.0

Goal: Your company has a well-diversified customer base.

Customer Concentration



Trend Analysis



Future Customer Diversification



20

Impact Mission

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20

Does your business have a **compelling, impact-driven mission** that galvanizes your employees, customers and target market?

21

Social Intelligence

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21

Does your business routinely and continuously measure **customer satisfaction and target market sentiment**, and execute strategies to improve the company's external reputation?

22

Data Strategies

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22

Does your business have documented plans and processes for **securely gathering, managing, and leveraging** customer and market data?

23

Diversity Policies

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23

Does your business have documentation and processes to ensure effective administration, employee relations and diversity?

24

Activated Culture

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24

Does your business have a **positive, adaptive culture** that is aligned with and supports your company's goals?



**Here's How We Work
Together:**

**The Zero Limits Ventures
Advisory Process**

Are you a right fit?

1

Develop Strategies and Plans to Alleviate Constraints to Growth

2

Look at What Exists or Doesn't Exist that Could Create More Value

3

Identify Market Factors That Could Enhance Value Potential

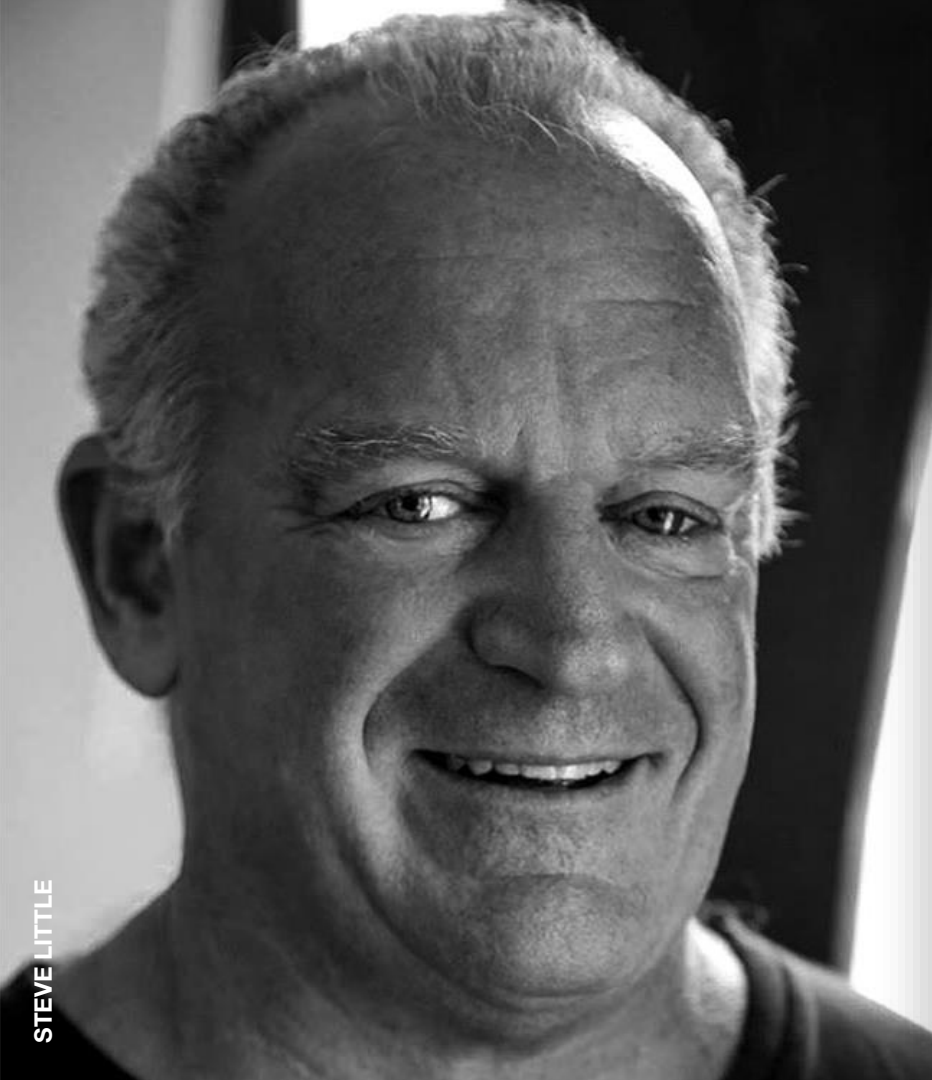
The Biggest Problem, Risk and Reason That Transactions Fail:

The Owner Tries to Do It Themselves.



**Are You Ready to Sell Your
Business Faster and for More?
Schedule a Brief Strategy Session
with Steve Little**

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