



Buy a Business – Why?

In a recent meeting someone said that in business development you create visions for people so they see the opportunities. For many people owning a business is a vision or dream they have. The top two questions are why and why buy (vs. start)?

Why have your own business? It's hard work, full of risk and consumes your life, right? Well, it's no harder work than most jobs, no riskier than being told tomorrow you don't have a job anymore and can it really consume anymore of your life than a corporate setting where you attend events, work long hours and are on call all the time?

When I ask people why they want their own business the top responses are:

- Lifestyle – I may work hard but if I want to see my kids' game or recital I'll be there (and work later).
- Control – I'm sick of taking orders, let me sit at the desk where the buck stops.
- Independence – I have good ideas, I'd like a chance to use them.
- Money – 1) I'm sick of making a lot of money for others and not for me, 2) I know I can make more on my own and 3) my net worth goes up every time I make a payment on the business and every month I grow it.
- Fun – caveat, only about 1% of people ever give this reason but once I say it they all agree that it is incredibly important to go to work everyday with a smile on your

face (because it's your business).

Pretty good reasons, aren't they?

So why buy a business versus starting one or buying a franchise? Here are the main reasons:

- You have money to invest in a downpayment (if you don't have capital but do have family income it might be better to start something).
- You are not a creator. Creators have ideas, they see the market, they see an unexploited niche and they create a vision and plan to fill that niche.
- You do have management and, hopefully, leadership abilities. You know how to effectively manage people, systems and money. You can create a plan and implement it.

People who start a business do so because they have experience in that industry. When buying a business it is not as important to have direct industry experience. My estimate is that 50% or more of small businesses require good management skills and business common sense. Yes, a lot do require some related experience. (And if you're thinking, wow, my business is special, you have to be a special certification to own my company, then your exit strategies are reduced tremendously.)

If this whetted your appetite for more information call or email me today and I'll send you your choice of a free report on

"Business Buying Don'ts" or, if you're a business owner or want to start a company, "27 Common Business Mistakes."

John Martinka of "Partner" On-Call Network in Bellevue, WA is a business consultant and speaker. He helps people buy, sell, grow and value businesses. You can reach John at 425-576-1814 or via e-mail at john.martinka@partneroncall.com. For more articles on this and related subjects or to subscribe to his free e-newsletter, see www.johnmartinka.com or www.partneroncall.com/johnmartinka.

Each Office Independently Owned & Operated

Originally published in and reprinted with the permission of The Eastside Business Monthly, August 2006