Sound Financial Bites 054 - Al Davis and Bill Lawrence
Episode Transcription

> *"His interest rate for that loan is 48%, and the money is removed on a daily basis from his bank account automatically."*

Hello, Paul Adams here. Welcome to Sound Financial Bites, where we help you with bite-sized pieces of financial and life knowledge to help you design and build a good life.

Hello, and welcome to Sound Financial Bites. My name is Paul Adams, your host for today's podcast, and president and CEO of Sound Financial Group. I want to welcome all of you to the podcast. I'm so glad you could be here. As many of you know, we do podcast on different topics and today is one of those business and career topics, and we're talking about speaking "bankanese", and why you as a business owner or high level executive in a privately held company need to make sure you understand the way banks speak and the way that they communicate to save your company money and optimize your business. Now the two gentlemen we have coming in on the podcast today are Al Davis and Bill Lawrence, both with significant corporate background before starting this partnership called Revitalization Partners. And what Revitalization Partners does is helps make sure that businesses are running in a way that their businesses can be properly presented to the banking community, and putting them in a position where they can get the best or most optimal relationship with those banks including the banking agreements. Now the main areas we're going to hit today are the ideas of preparing the go-to-market and thinking about your bank and your banking relationship is going to market, the personalities of different banks, and one of my favorites that I heard them talk about which is this idea of predatory lending in the business banking arena. So let me just start by welcoming you guys to the show, Al and Bill welcome.

Oh, thanks for having us. We really appreciate the opportunity to talk to your listeners.

Thank you Paul.

But rather than me perhaps butcher, what Revitalization Partners does-- Let me put it back in your court, have you guys just kind of say, when is it that you meet people and business owners?

There's a wide range of circumstances under which we meet business owners. We work with companies that are healthy companies, that are thinking down the road about potential sale, and they look at their company and they say, "Okay. What do I do over the next year to maximize my company's return so that when I sell the company I'm going to get the most out of it." We also- on the other side I deal with companies which are very much in distress, they've lost their banking relationships, they have creditors who are threatening to sue them, and we have done probably more receiverships, where we've served as receiver than anyone in Seattle, and in almost every case where we have served as receiver, we're not liquidators, that's not our focus. Our focus is on fixing the company, getting the company to create value and then selling the company on behalf of the creditors. And I would say out of the 22 or 23 receiverships we've done, all of them have gone that way with one exception.

And to that end, we have worked with a lot of companies and helped them find new lenders, particularly when they're looking for growth opportunities and they're looking to expand their capital base, and in circumstances where the current lender is not happy with them and we're able to help them find a new lender that will help them with their needs.

One of my favorite things I kind of spoke about a little bit in the intro is this idea for the two of you that you look at somebody changing their banking relationship as taking their business to market, and really what you're doing is marketing the financials to that business, the story of that business, now I want to get back to that in a moment. But the thing that I heard most people at the event, I had a lot of friends that had come with me to that event and they talked about the story around the predatory lending, and the way that a lot of these people are in the payday loan space that had all these capital going in the predatory lending on individuals and how that shifted to the business community to become predatory lending. Can you guys tell us some of those--and let's just start with one of those stories of predatory lending that you shared at the event?

"A silver voice needs to chime in."

Predatory lending is by no means new. Payday loan companies have been doing it for years and there's the consumer- a protection agency came into place and Dodd-Frank- were the rules on Dodd-Frank became more difficult. They found a home in small to medium-sized businesses, and they pitched, and I use that word exactly. The pitch is a phone call, or a letter, or an email to your business which basically says, "We can put X dollars in your bank account in 24 hours, just sign here," literally. So to cite one particular story of a company that we're working with, there's a company that literally outgrew its business. It's a successful company. In fact they have more orders than they could possibly deal with and as a result they took the orders and then had to buy a material, had to provide the labor in order to ship that product. As they run out of money literally, they started using these, what I call Payday Loans, these Business Payday Loans.

And before you give the specifics to that story, tell me about the phone call you got.

I was one of those people who got the phone call. I was driving to work and I was sitting on the freeway in Seattle traffic, and my phone rang. My cellphone rang, and I answered the phone, and it was one of these lenders who is a woman who said that she could put $250,000 in our bank account in 24 hours. Well given the freeway wasn't moving very fast, I suggested that she'd tell me more and she did, and basically that was her pitch that she could- If we just filled out some paperwork, have the money in our bank account in 24 hours. And that led to-- that was sort of the accumulation of some things we had seen previously and things we've seen since. But going back to the company that we were talking about...

They got one of those phone calls at some point in the past and then you met them.

Somewhere they did had a phone call... Right. Exactly right. And they either got a phone call, or an email, but they were getting desperate to ship their product because they had some very unhappy customers. And so they took out one of these loans and the amount is not important, what is important is that the owner of the company signed a guarantee on behalf of the company...

Personal guarantee.

He has also signed a personal guarantee.

So he signed as business owner, and then he also signed as like husband and father.

Correct. On top of that, he'd signed a confession of judgement which means if they don't get their money, they'd take this confession of judgement to court, so that he's already admitted the-- he didn't pass, and now we want you to exercise a judgement against him. On top of that, if that isn't enough, his interest rate for that particular loan is 48% and the money is removed on a daily basis from his bank account automatically. So that would be bad enough Paul, he has five of those loans ranging from 36% to 48%.

“Remember, the bankers are salespeople. It’s a very competitive business.”

Now if I can ask you a question, thank you Al, and Bill, when those loans come out and people are taking on those loans, there's a way that they almost- I don't know how to best put it, they also mask how big the interest rate is, right? Because they charge a large amount upfront like if somebody takes out a $100,000 loan, it's actually instantly a $120,000.

That's right Paul. The trick of this in the way that the letter is presented is and as well give you a $100,000 tomorrow and it is literally tomorrow, they’d make it very easy for you to accept this money. It's almost a too good to be true scenario. However, when you get the paperwork and you signed it, you have to pay back a $130,000 or $140,000. So you pay back a lump sum much greater than the amount that you borrow, and in some cases it's over a very short period of time. So it's very easy for a business owner to fall into the trap of saying, "Okay. It's only going to come out on a daily basis and you know, it's going to get paid off, and I'll have the money with my next largest order," and come to find out and particularly with companies that are strapped for cash, that next big order doesn't come. And when they finally get the paperwork and they signed it, and they finally-- after the fact because that happens so fast, the way they close these things, literally in 48 hours. They realize that when you look at paying back a $130,000 or $140,000, the annual percentage rate is somewhere in the 40%, 50%, 60% range.

But they might only be telling the business owner they were charging 8% on the loan, but once you count those points upfront, that extra-- you know, that you borrowed a $100,000 but it's really a $130,000 debt you owe that day, now they're only charging 8% on the $130,000.

No, they're actually only charging 8% or 12% on a $100,000, but they have processing fees and they have monitoring fees, and they have-- you know, a fee for example if the ACH doesn't transfer properly. If you’d take an extra breath there's a fee. So what you see is when you add all these up, it comes out to that $140,000, $150,000, and because the money is coming out daily, all of it is coming out every day.

I think the important thing for a business owner to understand, and this is the case of the client of ours, is that the money is coming out every day. It usually comes out at the beginning of the day, so you really don't have an opportunity to have any flexibility in your cash flow. So the key thing takeaway for anyone to really be aware of, number one is it comes across very smoothly. It looks like easy money. And number two, it comes very fast. I mean you're literally signing documents and by the time you end up signing all the documents, it's done, and the money is in your bank. So it's predatory and it happens very quickly, so don't fall into these traps.

And something I would offer, and many of you know that we've talked about this, that when as listeners of the show, you're familiar with the idea. We talked about people don't want to open their kimono, and so oftentimes I think one of the things I could see happening with all the business owners I've worked with, being an entrepreneur and business owner myself, knowing there's this internal feeling like if you got into one of these, it will be like, "Man, I'm just going to suffer through it and I'm going to get it paid off. It's super embarrassing, I got duped," and the people who got into this may not go look for help and that's probably exactly what they should do is go get help.

Yeah, exactly. Let me just add one other thing because what we have found is in the first loan, if something happens and they end up they can't pay for the daily payments or weekly payments, these predatory lenders are more than willing to have a second loan and a third loan, to make sure that they can literally fund the payments to them, so-- and the other interesting thing is they don't ask for a lot of financial statements, they don't ask for past banking agreements, or even ask you what's your current lending arrangement is at this point in time. So they make it very easy.

And one thing, for those of you that had a chance to listen to Maggie Richter when we had her on the show, talking a little bit about entrepreneurs and what they need to know to just get their mortgages done well, and how to think about banking. This ties in that way that I can almost see that business owner, entrepreneur, and executive that believes in their company almost get engaged by one of these predatory lenders and feeling like, "Oh! Somebody finally understands my business. Somebody finally gets it." There's somebody who's willing to be in it with me and not realizing until it's too late, and that hopefully, what the best the business owner can hope for is that they get the note paid off in a year. They make that lender an ungodly amount of money and hopefully not have to do it again.

Well, let me add something that's maybe even a little worse. Assume the business has a banking relationship and in most banking relationships you'll find if you have a banking relationship where a bank is providing you a loan of any kind, they have a stipulation covered in that, that you cannot borrow further money without the permission of the bank. And in almost every case, this happens so fast as Bill explained, that they don't get permission from the bank. So now they have this loan, they submit their quarterly financial reports to the bank and the bank goes, "What's this?" And they explained it to their banker and their banker says, "Your loan is now due and payable. We want our money," with no further discussion. And we've seen that happen several times now where they've taken all-- they've forgotten about the loan they already have and they are not informing the banker or talking to their bank. Actually no one should sign one of these loans without getting advice from somebody- their attorney, their accountant, their banker.

A silver voice needs to chime in it.

A silver voice, because you have to realize these calls, these emails- these are coming from call centers, literally call centers where people are saying they're dialing for dollars. They're very good at it and they recognize the desperation of the owner of the company in trouble.

And by the way, not only are they on emails and phone calls, they're actually advertising on TV now. So if you look at CNBC and other channels...

I hear it on the AM radio.

Yeah, and so I guess at the end of the day, a lot of companies are desperate and are in need, but you can't be so desperate as to not wait for a couple of days and do the due diligence, and ask the questions and find out what the real bottom line is because by doing so, you can actually find other alternatives and find out the other options you have. But once you signed up for this, it's really tough to get out of.

Well now, let's kind of go back to the first topic I list and thank you guys we're in the predatory lending first because I think it's not only so interesting but now, I got to say after hearing your talk a couple of months ago and happy we could have you here on the podcast, I have watched differently. As I see those advertisements, as I hear them on the radio, or they pop up on my browser, as you know, they tend to get very good at targeting, and now I see-- I just kind of let them fade in the background like I would-- I don't need to borrow money so it doesn't matter to me, that it all shows up very very differently to me now when I see those ads, and I've had other people report similar things. Let's talk about what it takes to-- you know when you talk about it then-- I'm maybe saying this wrong but the shop a loan pack that your business is either going to borrow money for the first time, or is thinking I may want to change my banking relationship, and I think every business owner, especially those with successful businesses really live with it like, "I can change my banking relationship tomorrow. I have another bank who will take this loan in a minute," and one thing you guys share is that usually people will call you out of a 90-day period of time somebody has-- they'll call you about at day 85. But maybe just talk with our listeners a little bit about this idea of taking your business to market now, and I think back to one of our past episodes where we interviewed a guy named Paul Menig, and he and his son- and I have an update that will be coming on that podcast, in a future podcast, looked at 48 businesses or 42 businesses- something like that. He and his son assessed 42 businesses to purchase and had not purchase one yet, and we just had a conversation about all the crazy things businesses do and why he wouldn't want to buy them. But I think that what introduce to me is the idea that just like selling a business, you to take it to market, you're almost needing to prepare your business to sale to really get speak good bankanese and have their banks want to lend. Can you talk a little bit about what it is to prepare the business to go to market?

It's really important to be able to present yourself to a bank in a way that they can understand what you're trying to accomplish and obviously understanding what you need in your business and what kind of finance you need is the first step. That's relatively easy to do because you understand what your goals are, you understand what you're trying to accomplish, and the trick here is to not only present financial information but also present it in a way that bankers can understand. The end goal- it could be expansion, it could be a situation as Paul alluded to that you're looking for a bank because your current banker doesn't want you there anymore. It could be for a variety of reason, it could be for a long-term lending, but every set of financial statements has a story that goes along with that, and so it's really important to understand what you're trying to accomplish and why, and building that story. When we represent companies and take them to the market, we spend the first week understanding what their current financial situation is, what their current objectives are, if it's a case where their lender wants them to find a new bank then what has gone wrong with their situation, and what can be done to fix it and create a story that a lender would actually be interested in. So that's really important, and then the lending landscape is also different depending on what your story looks like. So the second step is to find a group of banks that will understand your story and will like your story, and then go to market and find out what is possible.

And I guess these people listening to this, to help creating clarity, you guys are engage 100% by that debt business. You're not engage by the banks. So even though banks have wanted to pay you, you don't accept the payment from those banks.

That's correct Paul. When we are engage by a client, we represent the client, and we act in their best interest. We do not want to be hindered by any obligation to another bank so we don't take fees from other bankers, we're totally engage by the client and we represent them and act in their best interest.

And you guys work with people nationally or focus primarily here in the Washington region? Where do you guys work?

Primarily we're in the north, Pacific Northwest, however, because of what we do, we have clients in Los Angeles, we have a client in Arkansas, so I would say rarely because of the nature of the client we work outside of the Pacific Northwest, we’ve had clients in Denver, Colorado; Albuquerque, New Mexico. So again, we're not an East Coast based company but occasionally we have an East Coast based client. We have two of them at the moment that we're working with. The other thing that I wanted to point out about the bank is banks have personalities, and the thing to remember is that not only do you have to speak bankanese, but you have to have a personality for your company that matches the personality of the bank. And the problem with what I'd call shotgunning banks is that the initial bank of the relationship manager who's trying to put this loan together is not likely to tell you upfront that your company doesn't match our bank. That's only when they get-- they think they can sell it internally, and so it's only when it gets to the underwriting which is a bit down the road after they've-- or the story, they've looked at your financial, and they go, "Well, we don't like the fish business," or "We don't like the business that you're in," and the underwriters just couldn't get their hands wrap around it.

And that's when you find out about it.

And that's when you find out.

But the other part is that could be-- a month down the road, you wasted a lot of time and the other way I think that could go, correct me if I'm wrong, is that that bank that doesn't prefer your industry just charges two more points than what the bank who matched your personality may have charged.

It's quite possible, and we have to throw in that we're talking about banks but we should also be talking about asset-based lenders because a lot of companies will say, "I need a new bank,'' and in fact, they're really not bankable in the terms of a cash flow loan that the bank would like to make. So what they may need is that a private asset-based lender for a number of reasons, but one of them is they're not as restricted by the regulations that the Feds have imposed on the banks. And so if you're not quite in that cash flow role, you don't match all the regulations that Dodd-Frank has imposed on the banks. There are a number of lenders which are private asset-based lenders, that are more than willing to consider your loan, and that's why if we look at the predatory lending, we go, "Wait a minute, if you'd take the time to look, you will find a legitimate lender that matches your company and your circumstance," almost always. It's not necessary to jump at the first person that says, "Yes, I'll do it."

That's really important Paul, because when we are in a situation, we typically look at a lot of financial institutions both public banks and private institutions, and we narrow it down to probably the best three candidates, and you start down a path in negotiating with three different entities because just as you describe, if we get further down the road and find that the underwriters don't like the deal, then we've wasted time. So the trick is to make sure you have at least two lenders that you're working with and actually, in your due diligence process, don't just talk to the lending officer, actually get to the underwriter and talk to the underwriter and have an opportunity to ask them the same questions that you've asked the lending officer.

So in whether or not-- I mean I think that's key, so whether or not any of our listeners look at engaging you guys as a firm, I just heard like two huge takeaways. Number one would be-- or very early in the process, have a conversation with an underwriter. And number two, very early in the process, make sure that they know you're also talking to another bank and I guess also actually be talking to another bank don't just tell them that, to be able-- because you've got to already assemble the financials and I can see for many business owners, the type A sort of personality is that you get a month into something in working with that, say the relationship banker gets the underwriting, you get a decision it's not as favorable as you want but you'd take it anyway because you have a month invested in it.

Right, and that's why it's really key to have multiple options, and yeah, you ultimately have to pick one to negotiate with, headed down the path with, but you hold the second one there, or the third one there so that you have that option, and if you have to re engage, then at least you have some additional time. One other thing I wanted to add to what Al said in terms of the geographic area- one of the things when you look at the banking side, we actually go-- we look at it from a national perspective. We know lenders all over the country and so we're able to look at the best institutions that will help our clients. So while our practice is pretty much on the West Coast, we have relationships throughout the country and in Canada as well. So it's really important to have that breadth of relationships. It's interesting because one of our clients, we started out with a pool of 12 lenders and because of the unique circumstances we found the first 12 really didn't work for them and we had the second 12 ready to go, and so we kept-- narrow it down into finding the best two or three. But because it had very unique circumstances, it just wasn't bankable by every bank.

And for clarity for that company, they spent-- if I understand what you guys do for people, they spend all their time with you, and you all went and spend the time with the banks, and they didn't have to go through all of that, they just had to make sure you guys knew the story, you guys had the financials, you guys added anything like, "Hey, we need to change the way you're holding inventory so that you're more bankable," which is the-- you mentioned the operational side of the banking.

Right. So that's right. We spend the first few weeks understanding the business and really understanding the unique circumstance because you go out to the lenders and you'd talk about those unique circumstances upfront, so these are say, "Yeah, I'm in, " or "I'm not," and so you qualified lenders that way and that way you're able to reduce the time to market. I think the other piece to this is that when we go out to market, we work with a company, we build a story, we go out to the market, and when we finally find the one or two or three lenders that work, then we'd take them to the company so that the company is not wasting time with so many institutions.

Very good, and I got to tell you, I think one of the big things I would hope everybody thinks about from this is that you're taking the company to market.

Right, and I think what's also important as Bill said, because we do a number of these loans and because we search the market so broadly, the market in a sense comes to us. I mean we hear it literally everyday from a banker in Chicago or a banker in Denver that we have done business with or we have talked to about a loan, because remember, the bankers are sales people. It's a very competitive business. They're looking for deals. They know that we have deals and so as they change, as one individual leaves, one institution goes to another institution, they're looking for business and they're calling us. So we are able and are in the position to expose our clients to a lot of banks that they just wouldn't even know existed simply because we've done something with them or talk to them about a loan previously.

So if I can, let me surprise you guys with a question I didn't prepare you for. For business owners, many of them complain and are personally exposed with their personal guarantees. That one of the biggest things that can implode somebody build a business successfully for 20, 30 years, have a great income from it, we, in designing and building a good life with our clients talk constantly about they're never going to retire on their business balance sheet, they're always going to retire on their personal balance sheet. And people are storing money there but with this background concern of it's all at risk on the business still because I'm still personally guaranteeing whatever the business is lending or relationships are, how can somebody go down the path or how do they start going down the path to get to the point that they build their business in a way that their personal guarantees are no longer attach to the business?

That's a very good question and we run into clients all the time that have given personal guarantees to their banks. Let me be clear. Every bank will ask for a personal guarantee particularly for a small business, a single owner business and they're going to want that, that backup, that backstop in case the business fails. I would say that the first thing that a business owner should really point to, in the case of having this successful business and a stable business, if there's a stable cash flow of the stable performance profitability at some level that can be counted on, that's a really important point to point out to the banker because literally if there's consistency then why do you need a personal guarantee from me? The second thing is the asset structure of the business. In a lot of cases, there are many many assets, whether be inventory, count receivable, equipment, quota or other intangible assets, the banks really don't understand that they have. So by communicating with the bank and a potential bank and making sure they understand the asset-based, and they're more than covered with the asset to loan ratio, we've been very successful in and either getting companies out and notice that of personal guarantees or avoiding it to begin with.

I think that that's so key. You mentioned about you need to consistently have that business, consistently be profitable, and be able to demonstrate that over time which might mean for some of those like head over heels type A entrepreneurs that they may need to pull back a little bit on that next chunk of expansion or that next business expense long enough until that next customer comes on, the next client comes on so that they put themselves in the position that they continue to show that. How long do they need to show that level of consistent profitability in the business where-- and when I say like consistent profitability that we would hope every business be consistently profitable or you'd shut it down, but how long of a track record do they want to see before you can start the conversation of getting release of personal guarantees?

It depends on the nature of the business. But as Bill said, consistency is important. The other thing that we find, especially with single owner businesses is the businesses are quite profitable, but the business owner is focused on avoiding taxes, and as a result of his focus on avoiding taxes, that profit is disappearing into the business. Now it may not be-- it may be new cars or it may be something simple, but in many cases they're actually prepaying things in advance, buying extra inventory- again, everything to avoid taxes. So when you put a business in that position and then you go to the bank and say, "Why do you need a personal guarantee?" They're looking at the business and going because you're not making the kind of money that we believe as a bank, that based on your revenue that you should be making. I would tell you you're going to need a minimum of three years, or and having said that this is for a single owner business. For example, we do work with private equity groups. Private equity groups buy a portion of a business or all of the business. They take debt to purchase that business. No private equity group gives a personal guarantee to a bank, right? So if you're a single owner, you're going to need some time. If you have multiple owners, maybe an institution, maybe a group of investors, you're better off trying to avoid it upfront but you're in a good position to do it because you have a successful profitable business that you're purchasing, or you run growing, and you have multiple people involved in the business so that you're not focus on avoiding taxes. And that's why depending on your structure, if it's an LLC or an S Corp, it's going to take a little longer. If it's a straight C Corp and you have a history of consistent profits, the time would be sure.

Well, and if anybody listening has a chance to hear that, I think it's probably one of the most pointed conversations I have with business owners, and we actually have it on our YouTube channel in the talk that I did for a local EO talks. It's about a 12-minute TED style talk where we talk about this idea that you've got to have your personal balance sheet built, and I think this is one of the biggest areas business owners remain exposed, and I think there's a psychological component where if my personal guarantees are on the table also, then I feel more likely or more willing to take $60,000 out of my personal bank account or liquidate $60,000 for the personal investments and put it back into the business. Whereas, if at some point I've created a nice wall between me and my business including not taking personal guarantees, it's more like I am a shareholder in this business that also happens to be the top executive working there, which further separates me and makes those assessments a little more sober.

Yeah absolutely. I think the other factor that I would add is we've seen businesses that are very profitable but the owner is taking a lot of money on the business either in profit distributions or in large salaries. It's in a lot of profitability but the cash is still going out of the business, and what it does is it starts to impact the company's financial statements, the current ratio, and that kind of thing. And again, if you want to be bankable and you want to eliminate the personal guarantee or avoid it, make sure that over a period of time preceding going to market that you've put your company in a situation that you don't have these kind of things going on and you'd take a kind of hiatus from that.

Let me ask if I may, let me ask one final question of you guys, as we talked about building your business to go to market, and building that banking package if you will, taking it, narrowing it down from many banks down to a few banks that might be interested, communicating directly with the underwriters. When you do that and you've got those relationships with three or four banks, so I would think you've also done, and correct me if I'm wrong, is you've kind of expose your company of three or four different institutions that now later may want to come back and compete for your business. So bank A, bank B, and bank C are all coming to the table, competing for that piece of business and bank A gets the business of lending to that business owner and they know the terms they got beat on. So we might get a call from bank B a year from now saying, "Hey by the way, I know what your terms are with that other bank. We already know you, we saw you a year ago. We see that you're growing. We see that you opened up two new locations, we're open to now lending to you." Do you see those kind of things happen as a part of really-- I almost think it was like you're building your business to go to market to sell it, which you often have to be quite secretive about, because you don't want your current customers know you're selling it away. But with banking, it's a little more open to say, "Yeah, we're always looking for the best deal on our banking and we will present our financials to the underwriters to make that decision, to make us an offer. Am I off based on that?

No, in fact quite the contrary. We've seen that repeatedly, and we've seen it with some very large banks. I mean we have been in situations where a decent-sized company, $300 million, $350 million company have banking relationship with a very large international bank. That bank believed they owned the business if you will, and they came to us, asking us to say, "Well, we need to reshape our banking structure," and we ended up with another large international bank who literally took the business away from them. And to your point about being a shareholder, I think your point is is dead on that side, absolutely right. Too many owners and even in very large companies, I mean we've worked with a company that was-- my god, it was 120 years old and it was about a $300 million company where the owner of the business and the company were so tightly tied together. This was now four years ago. Even today we are still managing a venture portfolio forward on behalf of the bank to as we wind, as we finally wind down this company because the owner was so wrapped up. I mean his sailboat was in the company, his personal venture portfolio within the company, and when the company failed, his entire life fails so to your point of be a shareholder in your company, be the top executive, run it as a shareholder not as your entire life.

Yes, and I've seen that too, as we talk about designing and building a good life, how often somebody has been so connected. I know the story out of another state of a gentleman that never really could let his company go, and I want to tell everybody just how bad that can be. Not only he'd never want to let his company go, he was so identified with his company that he allowed a total of three successors, quality people that would have bought the business from him, people that he groomed that he grew up in the industry that would have been his successors and he never wanted to let go, never wanted to let go, never did anything else, now 80 years old. 80 years old, and basically what it came down to is for slightly more money and not a lot, slightly more money. In feeling like he now needed to be validated by the business for slightly more money into purchase, he abandoned one of his partners, the junior partner and sold the entire thing, including the junior partner's share to an outside entity that he had only known for months, and lost every successor he had the opportunity to build into that business that would have really left him a real legacy and it all came down to him never seeing himself as that shareholder in a business that has lots of other concerns and involvements, and wanting to help it grow but being so self-identified. So beyond the financial piece, there really is a self-identification. That applies to all of you in your careers if you-- you know there's-- sometimes people in the Seattle area can identify with their badge that they wear on their belt, that gets them through the security doors at their office and really identifying with who you are as a person for your family, for your kids, for your community and for your friends beyond that in the business and beyond the financials. So gentlemen, I'm so glad you could be here today. The key takeaways I hope you guys pull as you're listening today is the idea that you're going banking isn't going to go borrow money, it's taking your business to market, and that what you'd be able to do is get to the decision makers as early as possible on that process. For those of you that it's appropriate for, these guys are open to having that conversation with you as appropriate at Revitalization Partners. You can find them at revitalizationpartners.com, or you can of course find them on LinkedIn. I'm connected to them, their contact information will be in the show notes, and as always, here at Sound Financial Group we're open. If you guys hear something here today were you're thinking, "I needed to have some of that kind of depth talk with me about my money," reach out to us, info@sfgwa.com or you can reach us at soundfinancialbites.com and what we'll do is anybody who's a listener of our podcast, we'll do a 10-minute triage call with, a little financial triage, see if we could be of help to you. If not, we'll always steer you in a good direction even if that help isn't with us. So hope you all have a great day and I hope that this podcast contribute to you being able to design and build a good life.

Thank you Paul, very much.

Paul, thanks for having us.

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