



TRUE NORTH UPDATE

November, 2008

Strategy ... Growth ... Exit

As a business owner, what's important to you?
Income? Growth? Wealth? Legacy?

Our focus as a firm is to help our clients create value in their companies that can be converted into client wealth. With nearly 80% of the businesses for sale at any given time, not selling,* the ability to convert value to client wealth is a big deal. You have to create this value long before the transition of ownership.

Most of the business owners that we work with run their business as a lifestyle business. They have created a comfortable (sometimes very comfortable) lifestyle that they are able to support though the business. But when it comes time to transition ownership, buyers (internal or external) are not interested in lifestyle businesses. They want businesses that generate cash flow, have a solid management team, and have future growth potential. They want to make a return on their investment.

What happens to many of these businesses is they are either unsalable or sell for far less than they should. And that digs deep into the owner's financial goals and objectives, since 90% of the net worth of most owners of small and medium sized businesses is tied up in the business. This means many owners are either stuck in their business much longer than desired, sell for a fraction of what they could have, or are forced to liquidate because they didn't build a salable company.

Compass Point can help. We have developed an Ownership Planning process that helps business owners live the lifestyle they aspire to while at the same time protecting, preserving, and promoting company value. Our work in strategy and growth, while always keeping an eye on what the exit will look like, helps our clients position their business for transition, whenever that time

ABOUT

Compass Point, Ltd

Strategy-Growth-Exit

Compass Point provides business management consulting services to the owners of closely held, lower mid-market companies to develop plans to beat competitors and generate substantial, lasting financial impact. Our clients have historically outperformed their competitors by 3:1. We help companies find where to make their money, make more of it faster, and sustain its growth longer.

Primary Services:

***Business Planning / Strategic Planning** including Vision, Strategy, Customer Focus, and Beating / Avoiding the Competition

***Ownership Planning** including Preserving and Protecting Value, Exit Strategies, Contingency Planning, and Succession

***CFO Advisory Services** including Interim CFO, Month End Closing, Budgeting, Cash Flow Projections, M&A, Due Diligence, Post Integration, Valuation, Business Audits, Business Benchmarking, and Capital Raising

***Sales and Marketing Advisory Services** including Sales Plans, Sales Process, Ideal Customer, Core Marketing Message, Value Proposition, Channels to Market,

is, so they can get their personal net worth out of the company on their terms.

Give us a call to see how we can help you reach your goals.

*Source: *Small Business Administration*



Entrepreneurs Highly Recommend Open Court

"Open Court," a Wall Street West funded program conducted in Bethlehem, continues to welcome entrepreneurs on a monthly basis.

On October 14th, two more companies arrived at Open Court ready to present their business plan strategies. What they found was an experienced executive panel willing to listen and offer advice on how to achieve their business goals.

The first company to present was Hive Media, a massive multiplayer online game (MMOG) development company located in Bethlehem, PA. As a start-up, Hive Media came to Open Court looking for advice on how to attract investors. William Weaver, Hive Media's CEO, had this to say of his experience at Open Court.

"Hive Media and I would like to thank Open Court for their valuable guidance and critiques of our business plans. It was an honor to present before such a distinguished panel, and I highly recommend the Open Court experience to other serious entrepreneurs."

American Hometec also presented their business plan to Open Court. A development and marketing company of high efficiency tankless water heaters, American Hometec's corporate office is currently located in Virginia. However, they are looking to bring the manufacturing business to Pennsylvania.

Shimin Luo, President and CEO of American Hometec is receiving interest by investors, although she would like to gain knowledge on how to penetrate the channels to market. Ms. Luo felt Open Court was *"a great experience that gets positive exposure for American Hometec. You can't find that many opportunities to get lender/investors to sit down listening and give honest feedback like Open Court."*

Pricing Strategy, Scalability, and Competitive Advantage

***Business Management Consulting** including Business Advisory, C-level and Key Management Development, Family Business Advisory, and Organizational Structure and Alignment

GET IN TOUCH



Establishing True-North...together.

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ASSOCIATIONS & AFFILIATIONS

Accredited Executive
Associate IIB
(www.iib.org.ws)

Biz MACH Affiliate
(www.bizmach.com)

Pennsylvania Business Brokers
Association
(www.pennbba.org)


(www.opencourt.biz)

Open Court holds sessions on a monthly basis. Complete information on applying to Open Court is available at www.OpenCourt.biz.

Will You Be Attending?



The Small Business Council's
**Puttle Pro-Am Tourney &
Networking**

Date: Thursday - January 22, 2009
Time: 5:30pm - 7:30pm
Place: The Mural Ballroom at the
Historical Hotel Bethlehem

This will be a premier Chamber event, combining fun, networking and the beauty of downtown Historic Bethlehem. All GLVCC members are invited.

For more information, please contact martaa@lehighvalleychamber.org or visit www.iloveputtle.com.