

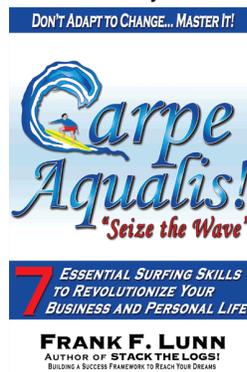
– SPECIAL REPORT Based on Upcoming New Book –

The **NEW** Science of **Strategic Business Valuation™** for Growth Entrepreneurs

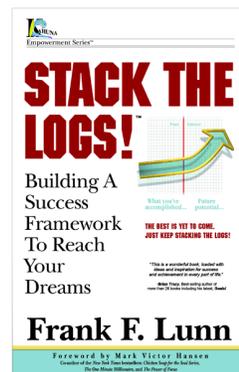
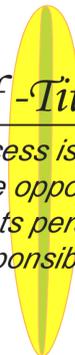
*Discover How Fast-Growth
Entrepreneurs Use The “New Science” of
Strategic Business Valuation™
as Their Secret Weapon to:
DRIVE Growth, Profit & Cash-Flow to
Maximize Value & Build Wealth!*

FRANK F. LUNN

entREPreneur, Author & CEO of Kahuna Business Group, Inc.



*Surf-Titude:
“Success is found
where opportunity
meets personal
responsibility.”*



“Yes, I know you thought your business was only worth ten million dollars Mr. Lunn. But it is Actually worth more... WAY more... Congratulations!”

—said **No** Business Valuation Expert **Ever**

Most ambitious growth entrepreneurs are completely shocked, surprised and dismayed when they learn what their business is actually worth... as opposed to what they think it should be worth. They simply can't believe an uninterested, uninvested, uncommitted outside observer could miss so much and value their business so low.

For entrepreneurs, no matter what we may say, our business isn't actually just business.

It is personal...**very personal!**

No mother ever wants to hear their baby is ugly. No entrepreneur ever wants to hear their baby – their hard work, struggle, sacrifice, creativity, passion and everything else they have poured into their creation – is ugly and not valued by the world in the way they value it.

This gap between what entrepreneurs and business builders think their business is worth and what it is *actually* worth in the way the business world values business is more significant than almost every entrepreneur realizes.

Valuation of Business is a Sore Subject for Me

Back in the late 1960s, a renowned psychiatrist named Dr. Elizabeth Kubler-Ross developed an interesting concept which has since developed into the *Seven Stages of Grief* related to loss of a loved one. These seven stages represent the extreme emotion during this event, essentially:

1. Shock & Disbelief
2. Denial
3. Anger
4. Bargaining
5. Depression
6. Testing & Reconstruction
7. Acceptance



I'm pretty sure I went through all seven of these emotions myself when faced with a reality so dramatically different from what I expected. *It just didn't seem right or fair!*

I'd invested a decade and a half of hard work, sacrifice, pain and discipline – not only from me but from my family who sacrificed so much to support my entrepreneurial efforts.

And not just my family, but my business partners, our team and their families all put their trust in me as their leader to create a wealth vehicle from our business.

And I let them all down. At least that is how I felt.

Even though our ultimate business valuation number was actually really good by all outward measure, it was a terrible disappointment for what I thought in every fiber of my being *it should have been*. It was a tremendous disappointment for what I felt we deserved.

Acceptance has not come easy. Truthfully, the more I learn about the new science of business valuation for entrepreneurs, the more frustrated I get. In hindsight it seems so simple. The reality, however, is that these new tools, new methodologies and new understanding from the point of view of the entrepreneur is just now coming together.

The new combinatory science integrating ***strategic business valuation*** combined and calibrated with ***strategic business planning*** is very new. It simply did not exist several years back.

Most ambitious entrepreneurs focus on ALL the wrong things — we are like a mother whose child is proclaimed by the world to be UGLY – simply intolerable!

But what about all the time and money we invested? What about all the hard work, countless hours, massive sacrifice and all the other investments we've made into bringing this baby to life? Do we get credit for ANY of this??? Basically, "NO!"

Ouch — That is harsh! As entrepreneurs, we look at everything in our business through a very emotional lens.

Whether you need to determine your business value for a potential buyer or a potential investor or a lender or any other dispassionate third party... THEY DON'T CARE!



Your business — to everyone else besides you, your family and trusted leadership team — is just a business with a purpose of creating revenue, profits and cash flow for the owners. No outside party will ever see or value your business like you see and value your business.

Most entrepreneurs only consider a business valuation when there is an imminent need and they are compelled. I understand because I was there. Why spend \$10-15K for the headache, hassle and distraction -- feeling more like raising your hand for an IRS audit than anything fun or exciting like marketing or sales or new clients?

The Art and Science of Business Valuation is NOT Something That Typically Grabs & Excites Most Entrepreneurs... But it Should!

This is a situation where I didn't *actually* fail, but I ultimately failed to harvest what I'd spent over a decade sowing. I sure felt like a massive failure when in 2012 I had a nice double comma exit from my business only to later realize I **left at least \$4 million dollars on the table**, if not more, all because I did not know what I did not know.

And once I *did know*, it was *too late* to do anything more than lament about it.

“Valuation is NOT Important to Most enTREPreneurs... Until it is CRITICALLY Important!! Which by Then...Unfortunately is Too Late!”

I've had an exit where I sold a business for 10X... LESS than I initially thought it was worth. I've also had successful exits. I've learned a lot of lessons the hard way paying a great deal over the last two decades for education in the category of, “I wish I knew then what I know now!” and related variations.

Like most ambitious entrepreneurs, I've put myself out there willing to fail and learn. I have failed -- and I have learned. Unfortunately, I've also had my share of **Failed to Learn** until the lesson finally sinks in.

I share all of this to explain how this resource was created out of a sense of purpose and pride for the journey of entrepreneurship for the benefit of my entrepreneur peer group.

Please understand -- This guide will NOT help you become an expert in accounting, business valuation or business valuation methodology.

In fact, if I've done my job correctly, you will actually be *MORE* ignorant after reading than when you started. Don't be alarmed, however.



Expanding your ignorance is the first step to enlightenment and then to a practical and profitable understanding. With the right understanding you can then convert ignorance into awareness and enlightenment into actual empowerment for your benefit *and your profit*.

If you are an entrepreneur business or practice owner, it's critical you understand the following:

- Know the current value of your business – Good, Bad or even Ugly!
- Understand the factors for creating and affecting value in your business
- Understand exactly what you can and can't control
- Understand the value POTENTIAL for your business -- and why it matters for developing valuation targets and how to integrate into your planning
- Understand HOW you can apply the new science of strategic business valuation to achieve your target value – Now and with an exponential progression in the future
- Understand why your business valuation not only matters -- but why and how it should actually integrate as a core component of your ongoing strategic planning

“The ultimate goal of being in business is not just the pursuit of sale or profits or even cash. It's to maximize the value of the business over the long-term.”

– Keith J. Cunningham, Entrepreneur, Internationally-Known Speaker and Acclaimed Author

The Value of Your Business is the Ultimate KPI for Your Future Wealth

KPIs are certainly important to help you monitor, track and measure important aspects of your business. There is one KPI, however, which when finely tuned and utilized over time is really the ultimate KPI as it relates to your entrepreneurial wealth.

Ultimately, the value of Business Valuation is NOT actually just about “valuation” but rather the highest-level Key Performance Indicator encompassing all your other KPIs within your overall business strategy.

“If you know your enemies and know yourself, you will win a hundred battles; if you do not know your enemies, but know yourself you will win one and lose one; if you do not know your enemies nor yourself, you will lose every single battle.”

- General Sun Tzu “The Art of War”



If you are an Entrepreneur Business or Practice Owner, I have a “*Truth Bomb*” for you:

The majority of your current income & nearly ALL your future wealth will be derived from the VALUE of your business.

Let that sink in. **Your business – your entrepreneurial enterprise – is quite literally your *Golden-Egg Laying Goose*.**

If you don’t get it or believe it, feel free to stop reading right now.

Let me ask you a few serious questions – Check Yes for all that apply:

- Do you know the current value of your single most important wealth producing asset?
- Do you know the 80/20 factors that create and drive value within your business?
- Do you know, and have you and your leadership team established clear, measurable business valuation targets as well as KPIs and timelines for tracking?
- Do you and your leadership team have a plan to integrate your business valuation improvement strategy to be aligned and calibrated with your strategic business planning?
- Do you and your leadership team have a dynamic system for monitoring, tracking & planning your business value improvement objectives aligned with underlying financials?

I could go on, but my guess is, like most EVERY other entrepreneur, *you might just be 0 for 5!*

Am I Right??

Do You Want to Know a Secret?

The Value of Your Business is the Foundation of Your Wealth!

FACT: Only 2%* of ALL Entrepreneurs & Small Business Owners Have Actually Had a Business Valuation or Know the Current Value of Their Business

**Based on a Financial Planning Association/CNBC Study & 2014 IBIS World Report*

In the past, business valuations were only done out of necessity -- usually:

- ✓ By an outside accounting firm – with an understanding of accounting, but not necessarily an understanding of entrepreneurs or entrepreneurship.
- ✓ Expensive -- typically \$7-15K
- ✓ A high administrative burden for records & financials over several years
- ✓ Interruption in business focus
- ✓ Disruptive over a period of weeks



- ✓ Results were typically NOT shared as a strategic business improvement tool or resource for the benefit of the entrepreneur
- ✓ A surprise weapon of compliance and negotiation tool for use *AGAINST* the entrepreneur

With high negatives on just about every front and extremely low ongoing practical utility value, it is no wonder most business owners have never invested in a business valuation.

It is certainly no surprise more ambitious growth entrepreneurs aren't tuned in to the potential of business valuation as a strategic force-multiplier for their business.

Business Valuation *Today* is NOT the Business Valuation of *Yesterday*

Now there is an alternative with a much different process providing different insights and more usable information. There is significantly more information and more information from multiple data sources for benchmarking and comparable business comparisons. There is a big difference in utilization of the information and significantly better visualization of information.

Business valuation today is no longer just for defense; no longer a one-and-done and no longer just for exit planning. Business valuation from the past was almost never to the advantage of the entrepreneur business owner.

But That Has Now Changed!

As advances in valuation technology, massive database access, connected Business Intelligence (BI) with open API^{MF} technology occur, what used to be a costly bureaucratic burden is now accessible, affordable and convenient.

A new breed of entrepreneurs are utilizing a combination of new technologies, new methodologies and a new unique entrepreneur-centric application of business valuation as a unifying strategic force-multiplier for driving growth, profit and cash flow for building wealth.

Entrepreneurs are turning the tables on status quo converting this once archaic, expensive, burdensome and bureaucratic tool of accountants, auditors and lawyers into a component of strategic business development.

In the past, a business valuation was almost NEVER for the benefit of the entrepreneur. A traditional business valuation is usually a negotiation tool used *against* the entrepreneur.

With new technologies and new methodologies and a focus on value for the entrepreneur, what was previously a negative from almost every angle has been transformed into a unifying dynamic-guidance super-tool for driving growth, profit, cash flow and ultimately for building entrepreneurial wealth.

There is “New Science” of Business Valuation This is Great News for Entrepreneurs!

Business valuation has been around for a long time. There are thousands of qualified valuation experts in America who can provide a standard or traditional business valuation.

What I want to share is completely new and completely different.

With more than twenty years of research, trial and error and millions of dollars invested – some of it even on purpose -- I feel qualified to share something really unique and special from one entrepreneur business builder to another.

We’ve witnessed some amazing changes in the last few years in three distinct areas. Each of these major changes alone are quite remarkable, but when they are combined for the benefit of the entrepreneur, they create amazing synergy. It might not seem revolutionary at first glance, but this combination absolutely can and will change the trajectory of countless businesses in the future.

The *New Science of Strategic Business Valuation* is possible because of three major developments and high-tech enhancements in combination and at the same time in history.

- 1. NEW Technologies**
- 2. NEW Methodologies**
- 3. NEW Entrepreneur-Centric Approach**

All three of these are significant and important advancements. The third component however – an actual focus from the point of view and benefit of the entrepreneur – *is a Game Changer!*

An entrepreneur who understands and applies this new science of *Strategic Business Valuation* doesn’t just have a *Slight-Edge*... They have a completely *UNFAIR ADVANTAGE!*

What This Means...

Business valuation technology has *dramatically changed* for the better with the convergence of business intelligence, cloud computing, big data, A.I. and other connected smart technologies.

Traditional professional business valuation services cost anywhere from \$7,000 to \$15,000 and will take time, attention and team bandwidth away from the business.

They are extraordinarily intrusive and equally expensive -- yet without providing any real clarity to the entrepreneur for the intrinsic potential of the business.



The end-result will essentially be a valuation number along with supporting C.Y.A. documentation. The end-result product provided is NOT for the benefit of helping the entrepreneur to discover and take advantage of the hidden treasure hiding inside the business.

A typical and traditional “one and done” business valuation is not strategic. It often misses far more than it captures because a traditional valuation is traditionally NOT for the benefit of the entrepreneur. They are most often used as a negotiation tool AGAINST the entrepreneur who is pushed back on their heels and forced to play defense. *Unfortunately, I speak from experience.*

This is how it used to be... ***But No More!***

Discover How a *Discovery Business Valuation™* can be YOUR Entrepreneurial Game Changer

What is *Discovery Business Valuation™*?

From the perspective of the entrepreneur, a traditional business valuation has only been necessary as a reaction to something happening in the business.

This could be for estate planning, a planned sale, a forced sale, a partner in, a partner out, a death or divorce or requirement by banks for financing or raising capital.

None of this technology as it is now existed 5+ years ago. Even separate new technology is just now being applied in a combinative way with open-architecture and open APIs allowing for a powerful, dynamic business synergy and toolkit for entrepreneurs to harness their ambition!

A *Discovery Business Valuation™* is a unique system to help you

- 1) Understand exactly what the current value of your business is
- 2) Understand the key drivers of value in your business
- 3) Realize the full potential of value for your business, and
- 4) Integrate business valuation into your strategic planning

Once you know this information, it is much easier to build business valuation into your existing business plan to drive the outcomes you desire rather than drift to whatever happens and be surprised by them later.

Understand what actually creates value in your business and build those elements into your key performance indicators – now and as they change. Ensure you have a system to track and



monitor your progress towards your goals and with the ability to self-correct and recalibrate as things change.

A *Discovery Business Valuation™* does not take weeks to complete. It does not tie up precious team bandwidth and, most importantly, it will not cost you thousands of dollars.

The new model of business valuation for the benefit of the entrepreneur can now be an ongoing business acceleration service and core-component of your strategic business planning.

It is a strategic force-multiplier and dramatic advantage for entrepreneurs with a vision to harness the potential. Focus on the value of Business Valuation -- not for the sake of valuation alone, but for what really understanding and improving your valuation can do.

AND what it means for EVERYTHING ELSE important in the business!

The **Discovery Business Valuation™** is a great start for **Clarity, Intentionality, Calibrated Focus and an Ongoing Positive Feedback Loop.**

Business is Dynamic and Constantly Changing!

As your business is dynamic, your ongoing business valuation system should be as well. Not only is it important to know where you are, but it is equally important to understand where you are going.

We are excited to provide a system within this new science of strategic business valuation to help you discover business valuation as a foundation of your entrepreneurial wealth.

A business valuation will assist you to navigate growth despite changes in your business as well as external changes affecting your business.

Before you go on an amazing and exciting journey of discovery, it is important to know where you are starting.

Start a new journey with Discovery! Discover how a **Discovery Business Valuation™** can be an X-Factor and Force-Multiplier for your business.

As we progress on our mission of: *"Empowering Entrepreneurship!"*, we want to ensure entrepreneurs don't make the same *wealth depleting* mistakes we made. There is really no excuse. Three to five years ago, none of this was available the way it is now.



A **Discovery Business Valuation™** is not yet well known or well understood. You have a unique opportunity to apply this amazing tool to benchmark your value and utilize the information and insights for achieving everything you want from your business.

Don't leave millions of dollars on the table like we did. A **Discovery Business Valuation™** is accessible, convenient and affordable. It is a strategic force-multiplier and dramatic advantage for entrepreneurs with vision to harness the potential before their peers and competitors do.

Take advantage of this New Science of Strategic Business Valuation and put your unfair advantage to work!

Ignorance about the dynamics of your business valuation is NO longer a valid excuse!

Not knowing the value of your business used to be understandable. Expense, distraction, lack of clear planning value and clear purpose combined with a lack of access for business valuation tools and expertise were legitimate excuses.

But NOT anymore! If you are a serious and growth-minded entrepreneur focused on maximizing your business or practice for your future, you 100% absolutely, positively should without a doubt know:

- (1) The current value of your business
- (2) The true potential for value in and of your business
- (3) Specifically, what creates and drives value in your business

In the past, not knowing these was completely understandable. Today, there are new technologies, new simple-to-apply business value methodologies and a much sharper focus on proactive business valuation for the benefit of and point of view from the entrepreneur.

NOT Knowing NOW?? *Simply Inexcusable!*

Not knowing the value of your business or what creates and drives value in your business is like throwing money into a retirement plan for decades without any consideration to allocating your investments to maximize return or to even have any idea of the value of your nest egg.

***“C'est la vie”, “Oh Well” and “I Guess that’s Good Enough”
are TERRIBLE Entrepreneurial Wealth Strategies!***



The purpose of a **Discovery Business Valuation™** is to provide *clarity, intentionality, calibrated focus as part of an ongoing, positive feedback loop* to the entrepreneur and their leadership team for achieving their long-term valuation goals in support of their long-term wealth goals.

The Value of Your Business is the FOUNDATION of Your Wealth!

Utilize a **Discovery Business Valuation™** to help you achieve:

Clarity → Intentionality → Calibrated Focus → Ongoing, Positive Feedback Loop

Focus on your business valuation as a measurable target so you can understand and plan for all aspects of your business to maximize value.

Focus your attention and energy on maximizing the value of your business and by default focus on the most important drivers of everything vital for achieving your business goals.

Not every entrepreneur will understand beyond an intellectual acceptance. Most will simply not get it. Traditional, old-school, boring, bureaucratic business valuations are dry statistical exercises of numbers plugged into cold generically applied formulas.

The result is statistical smoke and mirrors to create a “play-it-safe”, “it depends”, “CYA” business valuation basically designed to be used against the entrepreneur and ensure no one gets anyone in trouble.

These business valuations are meaningless unless used as a basis to know (1) *where you are in relation to* (2) *your future desired target* AND (3) an understanding of your delta – the gap between #1 and #2 along with what you need to do to bridge your gap.

Henry David Thoreau observed, **“To know that we know what we know, and that we do not know what we do not know, that is true knowledge.”**

Ignorance is a Great Place to Start, but a Terrible Place to Stay!

Ignorance is a valuable part of learning. Every expert starts out ignorant – lacking knowledge and understanding. As you learn more, ignorance mixed with curiosity can provide a path to more learning and applied knowledge and a cycle of success.

If you are like me and find yourself ignorant about how business valuation impacts your business, life and future wealth, take solace.



Starting out ignorant or lacking practical applicable knowledge about how your future wealth creation vehicle is affected by what you know and applied related to dynamic valuation over time is normal. It is certainly nothing to be ashamed of.

REMAINING Ignorant However... Well that is a Different Story!

We are all born into the world ignorant and without knowledge. Whether we chose to remain ignorant or take action to adapt and apply knowledge to our advantage is a choice.

Each choice or series of choices culminate over time to create our destiny. The real question is whether we want to end up where fate takes us -- or take control to whatever degree we can to choose our own destination.

Knowledge applied to your life gives you the power and leverage to affect your future.

WARNING: Ignorance is Expensive!!

Valuation can ONLY be improved through understanding and improving the drivers of value within the business -- which also just happen to be the core fundamentals of your business

Business Valuation is Your Most Important Wealth KPI!

Don't leave your wealth to chance or risk allowing your entrepreneurial legacy to be filled with regret. Take action!

An investment of *less than \$2000* might just be worth *Millions!*

Remember that \$4M we left on the table??

If we could go back and apply what we know now,
our ROI would be over 2000 X!!

We certainly are NOT guaranteeing you will achieve these results.

Only YOU can imagine what your *actual* ROI could be!

Invest in YOUR customized **Discovery Business Valuation™** today



About Frank F. Lunn & Kahuna Business Group, Inc.

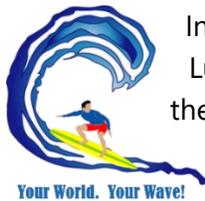


Surf-Titude:
"Success is found where opportunity meets personal responsibility."



***"Your life will not develop by what life gives you, it will be created by what you do with what life gives you. Destiny is not found in the raw materials life provides us; it is forged in our creation and what is built out of opportunities we are presented with."* – Frank F. Lunn**

Frank F. Lunn is the President/CEO of Kahuna Business Group Inc. Frank is a life-long enTREPpreneur leading Kahuna Business Group's development for more than two decades as an enTREPpreneurial support ecosystem. Frank is a proven small business leader with a passion for supporting eXponential enTREPpreneurs on their journey of enTREPpreneurship.



In addition to being an expert business leader and small business entrepreneur, Lunn is a respected authority on leadership, motivation and opportunity. Frank is the author of several books sharing his own life-changing experiences as well as providing readers with proven strategies and tools to covert life's challenges into opportunities for success.

Lunn's books include: [**Stack the Logs! - Building a Success Framework to Reach Your Dreams**](#), [**Carpe Aqualis! Seize the Wave**](#) and [**Blessings in Adversity! - Convert Challenges, Difficulties & Hardships Into Blessings & New Opportunities**](#).

Kahuna Accounting (www.KahunaAccounting.com) Accounting and Business Valuation Strategies & Services for Growth Entrepreneurs. – A member of **Kahuna Business Group, Inc.** –

Kahuna Business Group, Inc. (www.KahunaWorld.com) – Established in 1995 is an enTREPpreneurial family of Strategic Business Units (SBUs) – individual, yet connected, coordinated as an enTREPpreneurial support & resource ecosystem. Everything we do is designed around our corporate purpose for:

emPOWERing enTREPpreneurship

Learning, Living & Sharing the Journey of enTREPpreneurship in Life, Business & Legacy!
"We achieve our victories through the victories of those we serve!"

