

# KEITH J. CUNNINGHAM - HOW TO BUY (OR EXIT) A BUSINESS

## VT SYSTEM CHAPTER OUTLINE

Day 1	Run Time	Day 3	Run Time
1 Introduction to Day 1	36:59	1 Intro to Day 3 and CFO Scoreboard Classic	27:00
2 Leveraging this Virtual Training System	4:00	2 Q & A on CFO Scoreboard Classic	7:33
3 5 Core Beliefs	15:35	3 Phantom Stock and Types of Compensation	19:30
4 3 Ways to Start a Business	11:33	4 Push Pull Agreements	9:59
5 The 4 Hats You Wear in Business	23:37	5 Some Brokers are Goofy; Swift Left on Those	4:58
6 Leon's Story	4:09	6 Mini Due Diligence	7:16
		Print Resources for "Focusing on the Target" and Q & A	
7 The Critical Time and Asymmetrical Returns	16:23	7 for the Seller	
8 Business Intelligence	14:33	8 Focusing on the Target	11:50
9 The Dials in the Cockpit	14:38	9 Getting Prepared for the First Meeting	13:26
		Follow up Activities from the First Meeting and Next	
10 The Optics of Business & CFO Classic	11:14	10 Steps Towards a Potential Second Meeting	30:51
		Follow up Activities from the Second Meeting and The	
11 Financial Optics	14:42	11 Letter of Intent	34:32
12 Accounting Report Cards	28:24	12 The 4 Key Elements of The Letter of Intent	27:17
		13 Q & A on the Letter of Intent and Company/Entity Types	20:09
13 The Rosetta Stone	3:51		
14 Print Resources to Follow Along for the Next Chapters		14 Negotiating Tips	17:37
15 The Financial Rosetta Stone	12:09	15 Establishing the Value and Understanding EBITDA	20:33
Reverse Engineering Words into Transactions on the			
16 Financial Rosetta Stone	32:10	16 Normalized Earnings and Scrubbing the Numbers	30:33
17 Summarizing the Completed Financial Rosetta Stone	12:47	17 Financial Statement Anomaly	29:09
18 Q & A on the Rosetta Stone	4:04	18 Valuations	38:08
Note About the Worksheets You'll Reference in the Next			
19 Few Chapters		19 Valuation Complications and Valuation Rules of Thumb	10:23
		Print Resource to Follow Along with "Guide to Selecting	
20 Accrual Accounting vs Cash Accounting	15:34	20 Multipliers"	
21 Q & A on Accrual vs Cash Accounting	18:49	21 Guide To Selecting Multipliers	15:25
22 Understanding Operating Cash	14:36	22 Q & A on Valuations and Multipliers	20:18
		Print Resources for the Exercise on the "Inventory	
23 Learning the Indirect Method of Cashflow Statements	10:29	23 Service"	
		Instructions on Evaluating the "Inventory Service"	
24 Understanding Free Cash Flow	28:29	24 Business	18:25
25 The Ultimate Blueprint	17:17	25 Let's Evaluate the "Inventory Service" Business	40:00
Print Resources for the "Keys to the Vault Office			
26 Equipment"		26 An Open Conversation about the Business Evaluation	31:59
Let's Look at the Hypothetical Company "Keys to the		The Letter Keith Wrote back to the "Inventory Service"	
27 Vault Office Equipment"	46:48	27 Business	
28 KPIs - Key Performance Indicators	20:51	28 Reflecting on the Exercise	3:41
Let's Look at an Article in the Wall Street Journal - See if			
29 You Understand it Now	20:53	29 Day 3 - Wrap Up	6:56
Day 2	Run Time	Day 4	Run Time
1 Intro to Day 2 and the Importance of Thinking Time	30:34	1 Welcome to Day 4 - Summary of Where we Are so Far	67:00
2 Q & A and Follow Up from Day 1	47:43	2 Q & A on How to Buy or Exit a Business - Pt 1	34:50
3 Wealth Strategies	14:18	3 Q & A on How to Buy or Exit a Business - Pt 2	41:21
4 Attractive Opportunity - Pent Up Demand (PUD)	26:42	4 Deal Structures	24:28
Attractive Opportunity - Future Stream of Earnings			
5 (FSOE)	18:03	5 Print Resources: A Case Study on the "Walker Company"	
6 8 Critical Rules	40:27	6 Valuation Case Study for the "Walker Company"	6:03
7 KJC - 11 Investing Rules	27:27	7 Let's Make a Deal on the "Walker Company"	35:00
8 KJC - Analyzing Business Rules	35:54	8 Walker Exercise Results Pt 1	25:15
9 KJC - 4 Acquisition Rules	9:18	9 Walker Exercise Results Pt 2	19:05
10 Downloadable Resources for Risk Assessment		10 Due Diligence	22:36
11 Risk Analysis	12:00	11 Evaluating Personnel	29:00
12 Vetting the Opportunity	10:00	12 The Purchase Agreement & Post Purchase Priorities	9:47
13 Value	10:30	13 Common Difficulties	24:34
14 Business Value Maximization	25:58	14 Print Resources: "Buck Buford's Austin Manufacturing"	
		Valuation Case Study for "Buck Buford's Austin	
15 Action Items and Deal Flow	16:06	15 Manufacturing"	12:12
16 Why is it For Sale, Targeting the Deal and Deal Source	17:22	16 Let's Put Together a Deal for "Buck"	50:00
17 Brokers and Deal Sources	23:15	17 Reviewing the Results of the Exercise Pt 1	31:49
18 Franchises	5:26	18 Reviewing the Results of the Exercise Pt 2	22:25
19 Acquisition Team	7:01	19 Using CFO Scoreboard Classic to Move Some Levers	8:16
Sample Letters and What You Need to Know About		Action Items, Critical Drivers of Success and Final	
20 Sellers	6:09	20 Thoughts	10:47
21 Resources for Mini Due Diligence			
22 Mini Due Diligence	10:49		
23 Thinking Time - Your Mini Due Diligence - 4 mins			
24 Q & A on Your Mini Due Diligence	10:26		
25 Resources for "Sample Questions"			
26 Sample Questions and The Exercise	13:15		
27 Sunbelt Online Demo	44:54		