100 S. Ashley Dr., Suite 600, Tampa, FL 33602
(813) 819-0788

How Buyers Look at Established Florida Businesses

A practical guide to the factors that influence business value

I'm Demetri Venetos, a Business Broker and M&A Advisor with Florida Business Exchange, based in Tampa and working with business owners across Florida. I've spent 28 years owning and running my own businesses. I've completed more than 145 closings.
Business Brokers of Florida TOP Dealmaker, Tampa Bay District, 2019 and 2021–2024.
Top 50 Statewide Producer by Volume, 2021–2025.
Owners often want a clear picture of what buyers look for, and what a qualified buyer might pay. This is a buyer's-eye view of what usually matters — not a valuation, a price, or a formal opinion on any particular company.

WHO IS BUYING

Three kinds of buyers regularly look at established Florida companies:

Private equity groups

Often look for a solid platform they can grow, or a company that fits one they already own.

Strategic buyers

Usually larger companies in the same or a related line of work. They may pay for customers, territory, staff, or capabilities that complement what they already have.

Qualified individual buyers

Often experienced operators who want to own and run a proven business, and who can sometimes move more quickly than a larger buyer.

HOW VALUE IS GENERALLY FRAMED

Buyers often start with normalized earnings, then apply a multiple. For owner-operated businesses, they commonly use Seller's Discretionary Earnings (SDE): earnings available to one working owner before income taxes, interest, depreciation and amortization, including that owner's compensation and supported adjustments. Larger or professionally managed businesses are often evaluated using EBITDA: earnings before interest, taxes, depreciation and amortization. Add-backs need documentation, and necessary replacement staffing remains an expense.

The multiple is not a fixed number. It moves with the quality and durability of those earnings, and with how much risk a buyer sees in the business. Two companies with similar earnings can support quite different prices.

WHAT BUYERS PAY FOR — AND WHAT USUALLY EARNS A CLOSER LOOK

Buyers pay for earnings they can trust, and for a business that can keep producing them after the owner steps back. They usually look closely at:

Clean, consistent financials. Books that clearly show the real earnings, without mixing personal and business items, give a buyer confidence.

Customer or client concentration. Buyers want to know how much revenue sits with a few accounts, and how durable those relationships are.

Staff depth and retention. A capable crew, technical team, or professional staff that stays with the company is part of what a buyer is acquiring.

Recurring customers, contracts, and relationships. Repeat work, contracts, a stable book of business, or steady referral relationships all make earnings easier to count on.

Owner or key-person dependence. The less the day-to-day sales, licenses, or client relationships depend on one person, the more comfortable a buyer usually is.

Licenses and continuity. Buyers need to understand which licenses, permits, appointments and contracts can transfer, and which require a new application, consent or a qualified person to remain.

A path to grow. Buyers also look at whether there is a realistic way to keep growing, not only at how the company has done so far.

> In a service or trade company, this often shows up as recurring contracts or service work, license continuity, and crew or technician depth. In a professional practice, it often shows up as recurring client work, client concentration, and how much the practice still depends on the owner. In healthcare, child care, or insurance, buyers also look closely at staff retention, licensing, and the durability of the book or enrollment.

WHERE BUYERS TEND TO BE MORE CONSERVATIVE

Unclear earnings, customer concentration, owner dependence, thin staffing, or licensing and contract issues can affect price, terms and financing. Some can be addressed before going to market; others require a realistic transition plan. Many of these can be strengthened well before a sale.

A CONFIDENTIAL CONVERSATION, IF YOU'D LIKE ONE

Want to understand how buyers would view your business? Let's have a confidential, no-obligation conversation about value, timing, and preparation, even if selling is years away.

Call or text me at **(813) 819-0788**, or schedule a time here.

Demetri Venetos
Demetri Venetos
Business Broker and M&A Advisor
Florida Business Exchange
100 S. Ashley Dr., Suite 600
Tampa, FL 33602
(813) 819-0788