

Coaches Corner With Barry Knepper

TAB Member's Question:

I am in the process of selling my business. I am interested in some perspective on paying bonuses to my management team if such a transaction happens. I have no agreements in place right now, so this is not an obligation. Some of the managers know of the potential transaction and have dropped some hints. What should I do?

TAB Coach:

I have seen these types of bonuses used in two ways. The first is to reward loyal employees for their contribution to the growth and success of the company. The second is a "retention" bonus or "golden handcuffs," to encourage key staff to remain with the new owners for a period of time, payable at the end of the agreed-

upon period.

The single most important part of a retention package is that the employees' loyalty to the company during a transition of ownership is maintained. The payments are not made unless the employee is still employed at the specified time for payment unless the employee is terminated before by the new owners.

The seller generally funds these arrangements with funds received from the sale. The amount needs to be significant enough to overcome employees' concerns and insecurities of possibly being let go after the ownership transfers. This type of arrangement is attractive to a buyer because it ties the key people to the business for some period, allowing the new owner to be able

to decide which employees they would like to keep. If the buyer is funding the bonus payments for the seller, there is a side benefit of the buyer not having to come up with as much cash at the time of the closing of the transaction.

An alternative to selling the business to a third party is to sell the business to the employees of the company through the use of a Employee Stock Ownership Plan (ESOP), which offers great tax benefits and a controlled financial and management transition plan. The employees acquire a beneficial interest in the company that will attract, retain, motivate and reward them

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Barry Knepper

TECH TALK *A feature from the Queens Chamber Info Tech Committee*

Open Source Can Help Your Business

By Scott Wolpov

Open source refers to the free sharing of resources and ideas, typically in the way items are constructed or designed. It also refers to a type of copyright or license that allows for more rights, not less. It is often associated with software. That software can help your business run more effectively and economically.

The concept of open source allows many people to contribute and improve features and security. With open source software, you are free to alter the software to your needs. The major requirement is that you keep the respective copyright notices in place. Further, you are free to distribute that code to others granting them the same rights that you have. Open Source does not mean free, though most times the cost is free or minimal. There are other rights and limitations are included.

Traditionally programmers design software. They use

logic that makes sense to them, but not to the people who use the software. Have you ever wondered why you have to go to start to shut down a computer? It is because you are starting the shutdown process. With Open Source the end user has more input into the finished product. The code is free to be modified to the needs of the end user. The programs created with Open Source are subject to peer review. The result is less bugs and greater security.

Closed solutions confine you to what the vendor has built. Modifying the software would be very costly and most companies will not accommodate that demand. Bugs may be ignored or not addressed until the next version.

Open Source web applications [i.e. salesforce.com] allow the creation of tools that matter to your needs. There are alternatives to the most popular software products. Openoffice.org is a free office suite. Oracle provides a version of its Linux operating system free to

all who want it.

The Internet has also greatly expanded the use of open source tools and platforms. A business owner can utilize the Internet to have tools on par with the largest of companies.

This gives a business owner great opportunities. There are also many open source website platforms. They cover content management [Etomite, Joomla, Drupal], e-commerce [CreLoaded, Open Freeway, Magento] and social networking.

The open source movement gains new converts everyday. Looking for a particular program, type that and the word open source into the search engines you and may just get your answer. If you have questions please email qcc@scottwolpov.com

Scott Wolpov is the President of Prebilt Hosting and provides business owners with expertise on building websites.

Queens GreenBusiness Summit Coming In January



THE QUEENS GreenBusiness Summit
attainable • measurable • sustainable

In a little more than a month, Queens will turn Green. That is because the Queens Chamber of Commerce will host the first annual Queens GreenBusiness Summit on Wednesday, January 23 at Queens College.

The Queens GreenBusiness Summit is a groundbreaking, unprecedented business-to-business summit on attainable, measurable and sustainable tools for businesses. The summit will run from 9 a.m. to 4 p.m. and will both challenge and identify ways to innovate in a green

economy.

For one day, local and regional companies – large and small – will come together to network, showcase their green products and services and obtain comprehensive tools and practices. Companies, who do business in and around Queens, should not miss this opportunity. National and local speakers will address topics such as marketing your green business, sourcing from local markets, green design and Going Green 2010: University Mandate, Environmental laws affecting your busi-

ness and Greening the government.

"Telling businesses to 'Go Green' is not enough. This summit is intended to teach businesses attainable, measurable and sustainable business practices that can realistically be implemented in their business models." said Steven Salsberg, Vice President of the New York City Council on the Environment and a planner of the Summit.

Sponsors will have an unprecedented opportunity to participate in greening the borough, setting new standards, and leading the charge of the Queens Business Community in adapting green practices.

Details of the summit can be found at www.QueensGreenBusinessSummit.com or by contacting Alliah Sheta, at 212-289-8506 ext 312 or via e-mail Alliah@SalsbergGroup.com.

You can register for the event by visiting: <http://QueensGreenBusinessSummit.Eventbrite.com>

Track 1 Options:

- Green 101... What is Green?
- Green Design
- Marketing Your Green Business
- NYC's Environmental Sustainable Business Practices and the Role of Government
- Sustainable Business Innovation in the Metropolitan Area
- The Economy of Waste: Recycling & Beyond

Track 2 Options:

- Defining Sustainable Business Practices
- Sourcing Local for Your Business
- Environmental Law: Affecting Your Business
- Job Opportunities in the Emerging Green Economy
- Challenges and Opportunities Facing Facilities Managers and Directors
- Minority and Women-Owned Businesses: Opportunities in the Emerging Green Economy