Merging Two Golf Businesses Into One With Josey Orr

Josey Orr's route to becoming a business owner was always unconventional. By choice, the entrepreneur chose not to attend college or work in an organization. From the onset, Josey knew that he wanted to take control of his financial future.

"School was not my thing," says Josey. "I've never really done well with authority so I tend to work for myself."

This unconventional path led Josey to Flippa, where he spent a decade going to the marketplace periodically to see the types of assets and business models users were interested in and ultimately purchased Body for Golf for $250,000 and Easier Golfing for $101,000.

"The platform is easy to use, you can get a hold of somebody in the Flippa team if you need to ask questions," Josey says. "And [Flippa] does vetting and verifying for the seller before they are able to list. There's a certain amount of safety involved with that."

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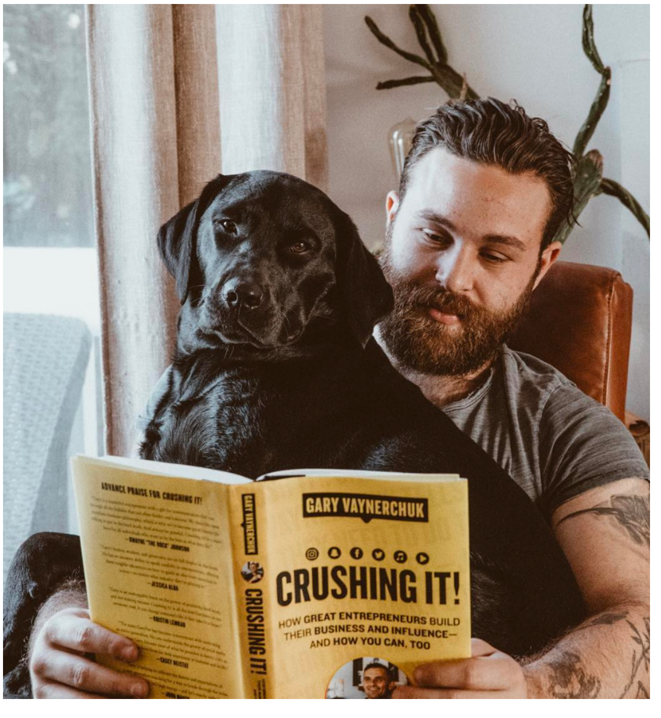
In the past, Josey had always started his own business. This time things were different: he decided to take a different approach and buy a business instead.



Finding the perfect fit

Josey knew exactly what kind of business he was looking for: digital information products and monetizable newsletters. He knew that he wanted to build upon an existing business and sell the digital products an infinite amount of times.

That's when he came across the listing for Body for Golf, which instantly piqued his interest.

Maliha, Flippa's Account Manager, encouraged Josey to hop on a call with the seller, and immediately he began conversing with the seller on Flippa's deal room messaging app, a feature that allows sellers to facilitate evaluation and management of various interested parties.

The seller was ready to start a new chapter in her life and was particularly adamant that the golf business went into the hands of someone who was passionate about the sport.

After all, the seller spent almost a decade working in online golf marketing, attended a high-performing golf academy, and worked on professional golf tours.

There were a stream of offers coming in, but ultimately Josey won because the seller felt reassured about Josey's love of the game and genuine understanding of the business, an area that other potential buyers lacked in.

"I come from a family of golfers," says Josey. "It's a sport I'm passionate about. You're going to have different experiences with different sellers. In this case, she built the business from the ground up. She had worked at it for a long time. That's your life for a while – you want to make sure that whoever is taking it over cares about it."

Merging one business with another

At the time of sale, Body for Golf was a long-running top producing golf offer on Clickbank, had a high-converting email list of 8,000+ dedicated golfers, low time investment, and high profit margin. Affiliates drove most of the sales for the digital informational products, and the second stream of revenue was the email newsletter where affiliate links were included and the email list of users would purchase assets.

Around the same time of purchasing Body for Golf, Josey was in contact with another seller for a business called Easier Golfing.

Initially, he wasn't planning on purchasing two assets, but the more he talked with both sellers, the more it became clear to him that the two businesses were complementary to each other.

Easier Golfing sold a physical product and Body for golf sold digital info products and both assets had a newsletter. So Josey acquired both businesses for a total sum of $351,000 and merged the two businesses together, using Easier Golfing as the holding company.

“I thought there was an opportunity with direct sales to the digital products”, says Josey. “On the easier golfing side, I felt there was an opportunity to cut costs and increase the profits in terms of shipping cost.”

Once Josey set up a new shipping house for Easier golfing, it immediately freed up 10% of profits.

Conducting due diligence

Due diligence throughout the process of purchasing both assets was important to ensuring a seamless deal-closing experience.

When it came to Body for golf, Josey found the process to be straightforward, with the seller providing proof of financial transparency.

“I had questions about prior efforts to sell the business, whether or not there was any organic social activity being done, and beyond the numbers, what sort of marketing activities had been tried and tested,” says Josey. “I was determined to discover the low-hanging fruit and pinpoint opportunities to quickly increase sales and profits in any way.”

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The same kind of questioning applied to Easier Golfing, since most of the traffic to the website was paid. Josey inquired about the website’s organic traffic, the newsletter performance, click-through rates, and product reviews.

“We went through the due diligence, going through all the numbers, making sure that everything was true,” says Josey. “I thought it was a fair deal and went for it.”

After both assets were transferred to Josey, both buyers stayed on board for a total of 90 days, assisting Josey with any questions about the businesses.

Plans for the future

Now, Josey is gearing up for sales during the fall season.

“We’ve been very focused on increasing our margins,” says Josey. “We’ve wanted to keep the sales level the same and focus on how we get more profits, hopefully ready to see some growth in the fall and holiday season.”

When asked what advice he has for entrepreneurs, Josey says, “There’s a lot of benefit to acquiring. Once you have experience running a business, it’s much easier to buy one. I’d tell them to go out and make their mistakes and learn, and then pull the trigger and buy one."

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"The first goal is to turn [your business] into a cash-producing asset," Josey continues. "Once you do that, you can decide whether or not you want to sell it depending on the cash flow."

Today, Josey lives in his hometown of Philadelphia with his wife. The two are excited to welcome a baby girl in the fall.