

CONTRARIAN THINKING'S

STATE OF MAIN STREET

2025 REPORT

What's happening on Main Street? More importantly, what are we doing about it?

INSIGHTS

From operators, bankers, policymakers, founders, service providers, and more

DATA

From surveys of 200+ members of our small business acquisitions community

SPOTLIGHTS

From real business owners in our programs and startup founders building SMB tools

WELCOME, BUILDERS

SO, WHAT'S HAPPENING ON MAIN STREET?

More Importantly, What Are We Doing About It?

These are the questions this report set out to answer. This is a look at the state of Main Street from our unique perspective, shaped by a diverse mix of voices: business buyers, operators, bankers, policymakers, educators, startup founders, painters, window cleaners, and more. It's both macro and micro. Data and narrative. Strategy and sweat.

Our goal is simple — that somewhere in these pages, you find something that moves you. A story that resonates. A tool you can use. A path you hadn't seen before.

Before we get into stories and data, we'll begin with what we know best: the work our team is doing right now to build a stronger future for Main Street.



Codie Sanchez
Founder and CEO, Contrarian Thinking



OUR WORK FOR MAIN STREET

RESULTS FROM A YEAR OF BUILDING

Thinking Bigger About Small Business

The American dream was built on ownership. Yet today, ownership feels out of reach for far too many. That's the problem we've set out to solve. At Contrarian Thinking, we believe that ownership is freedom. And we don't just talk about it — we actively invest in it, educate about it, and work to build the infrastructure to make it possible for more people.

Last year, the Pew Research Center found that across the political spectrum, **small businesses are far and away the primary institution Americans trust most to positively impact the country**. While trust in corporations, media, universities, banks, religion, and government declines, Main Street remains a cornerstone of

economic and social stability. That's why Main Street matters more than ever before. More ownership means stronger communities, more resilient economies, and a future where more people have more control over their financial outcomes.

Our Goal is Simple

We're on a mission to help educate 1 million people to become financially free and help create 100,000 new business owners. This report is a reflection of what we're learning in pursuit of this mission. It's not a definitive answer, but it's our unique vantage point — insights gleaned into the Main Street economy, ownership trends in 2025, and emerging technology in the small business sphere. Our work so far has taken shape across multiple platforms and initiatives:

OUR WORK



Contrarian Thinking Media

What started in 2020 as a financial newsletter is now a multi-platform media business closing in on 10 million followers. Today, we create multi-platform media about ownership and wealth-building, reaching tens of millions of people annually through articles, podcasts, videos, speeches, educational programs, and more.

Contrarian Thinking Capital

Our venture fund invests in startups building for Main Street and American prosperity. In the past year, we backed over a dozen new companies, bringing our total portfolio to dozens of businesses building software, fintech, and infrastructure solutions that have the potential to power American business growth for years.

Contrarian Community

The Contrarian Community is our hands-on academy for small business acquisition, where almost 2,000 people are actively learning the art and science of Main Street ownership. This isn't theoretical work — **over 200 businesses have been reported bought by our members.**



OUR WORK

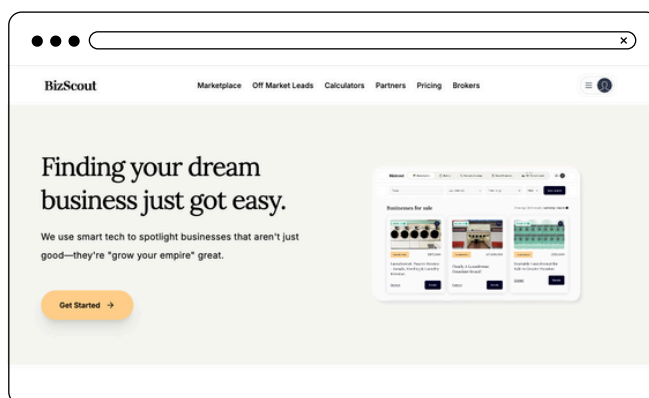


Main Street Millionaire

Codie's *New York Times* bestselling book on building ownership, published in late 2024, kicked off a nationwide movement. Today, it's a must-read roadmap to Main Street business buying. More than that, it's a call to arms for those looking to build Main Street legacies.

BizScout

Our business-buying marketplace, also launched in 2024, is focused on making buying and selling small businesses as seamless as buying real estate. In the coming year, BizScout hopes to bring massive transparency and efficiency to this fragmented market.



Main Street Hold Co.

This is our growing portfolio of direct business investments. This includes ResiBrands, the home services franchise platform, which is transforming the way blue-collar franchises are scaled.

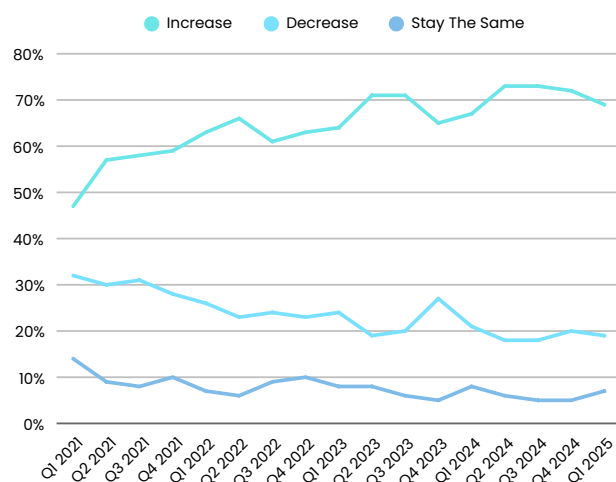
With this context in mind, let's dive into the meat of this report, starting with an economic overview.

THE ECONOMIC LANDSCAPE

PERSPECTIVES FROM THE U.S. CHAMBER OF COMMERCE

As we head further into 2025, small businesses find themselves navigating a complex economic landscape. Inflation remains a dominant concern, tariffs are shifting dynamics globally, and further policy changes are on the horizon. Despite these challenges, an undercurrent of optimism among business owners remains.

Looking forward one year, do you expect next year's revenues to increase, decrease, or stay the same?



SOURCE: Q1 2025 METLIFE AND U.S. CHAMBER OF COMMERCE SMALL BUSINESS INDEX

According to Tom Sullivan, Vice President of Small Business Policy at the U.S. Chamber of Commerce,

Inflation has now ranked as the top concern for small businesses for 12 consecutive quarters in the Chamber's MetLife & U.S. Chamber of Commerce Small Business Index. "We have found that small business owners are still bullish on 2025," Sullivan explains, "But prices are front and center on their radars, and they are constantly having to rethink



U.S. Chamber of Commerce

OUTLOOK

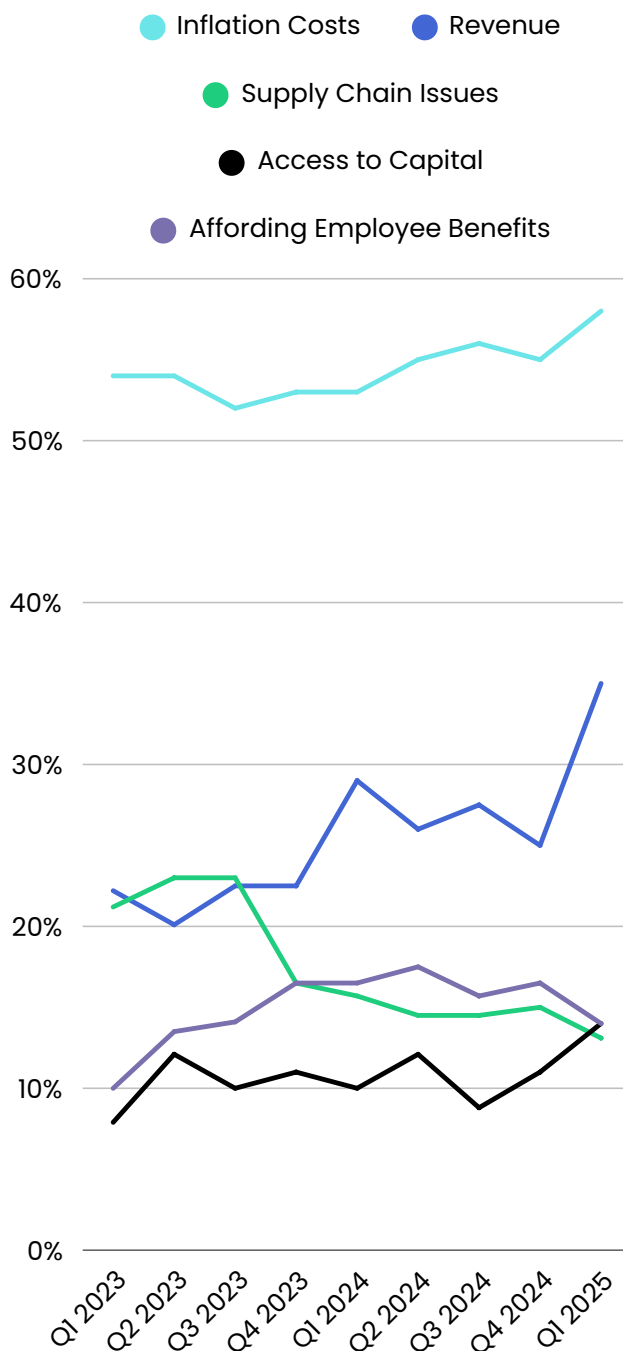
strategies on how to increase revenues during this extended inflationary period.” Despite these headwinds, Sullivan sees a major opportunity in the recent surge of small business formation. Since Q3 of 2020, startup growth has been unprecedented, and many of these businesses are now reaching scale. This presents a unique moment for Main Street, as more small businesses enter the market, fueling competition, innovation, and job creation. “Many of those new businesses are now maturing businesses, and their presence in the market makes for exciting times,” he says.

At the federal level, the Chamber’s top policy priority in 2025 has been pushing for the extension of tax provisions that support small businesses, particularly those introduced in the 2017 tax reforms. “It is unfortunate that we have not reinstated the 70-year practice of immediate expensing for research and development costs that expired in 2022,” Sullivan notes. “Small businesses operate on the thinnest of margins, and freeing up capital is essential to survival and growth.” As tariffs emerge as a major threat to small business profitability, the Chamber’s policy pushes have grown even more relevant for helping Main Street weather rising costs and stay globally competitive.

Policy Shifts and the Resilience of Small Business

Beyond tax policy, reducing regulatory burdens is another key priority. The Chamber says it’s supporting bipartisan legislation designed to give SMBs a stronger voice when federal agencies

Top 5 biggest challenges facing small business owners



SOURCE: Q1 2025 METLIFE AND U.S. CHAMBER OF COMMERCE SMALL BUSINESS INDEX

OUTLOOK



propose new rules. Trade policy is also now front and center. The absence of new trade agreements in recent years has left American small businesses at a disadvantage globally, Sullivan says. In our conversation with Sullivan, which took place prior to recent tariff implementations, he told us the Chamber is focused on policies which they say would help open new markets and reduce reliance on China. **“There are lots of other priorities ranging from access to capital to immigration reform to affordable health care for employees, but our priorities are advocating for a pro-growth tax and regulatory environment.”** Even with high inflation and rising interest rates, Sullivan emphasizes that small businesses continue to

adapt. “Inflation and high rates have not dampened small business enthusiasm because small businesses are resilient, and we have seen time and time again their remarkable ability to adapt and pivot,” he says. Owners are watching cash flow and expenses more closely than ever, adjusting pricing with care, and finding ways to sustain growth under pressure. Labor remains a major challenge, too, though some signs point to easing. “Luckily, salary expectations, which were skyrocketing last year, have leveled off over the last couple of months,” Sullivan notes. Still, “The high costs in some areas have to be offset by lower costs in others in order for small business owners to increase their margins and direct any profit back into growing their businesses.”

OUTLOOK

Why Small Business Matters in 2025 More Than Ever

Beyond individual success stories, the Chamber sees small businesses as a fundamental driver of overall economic stability and growth in 2025 — a role that only becomes more important in uncertain times.

“We know that 68 cents of every dollar spent at a local small business stays in its community.”

As Sullivan put it, “Small employers account for two-thirds of net new employment and innovate at roughly 12x the rate of larger businesses. These economic data are bolstered by the fact that local business owners often live in the same communities as their employees and are engaged with their local chambers of commerce, sometimes through several generations.” The way we see it, as policymakers continue to shape a difficult economic landscape and small business owners continue to adapt to it, one thing is clear: Main Street is ready to push forward.



MAIN STREET'S CAPITAL LANDSCAPE

INSIGHTS FROM LIVE OAK BANK



LiveOakBank

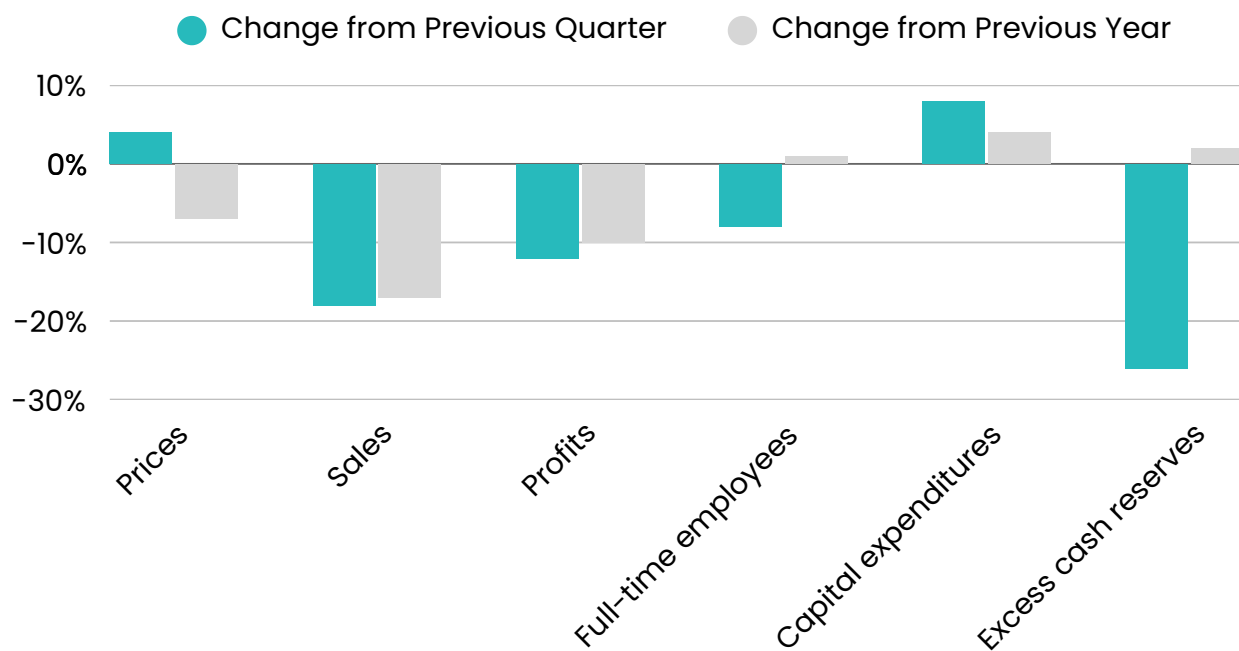
Mike McGinley, Executive Vice President of Small Business Banking at Live Oak Bank, sees a small business sector that is “cautiously optimistic.” In 2025, he says, financial conditions remain a critical factor shaping both challenges and opportunities. Business owners are navigating rising costs, drastic tariff changes, a shifting lending landscape, and a wave of ownership transitions. According to McGinley, small businesses’ sales and profits have improved over the past year, but high costs remain a real pressure point. **“While 85% of business owners anticipate their situation remaining the same, the fact that a quarter will need a cash infusion within 12 months is a concern,”** McGinley told us. This cautious approach is shaping how small business owners think about financing and growth in 2025. Demand for small business loans has been rising, but McGinley warns of risks in seeking quick capital. “There are predatory lenders out there charging extremely high interest rates in exchange for quick relief, but that could



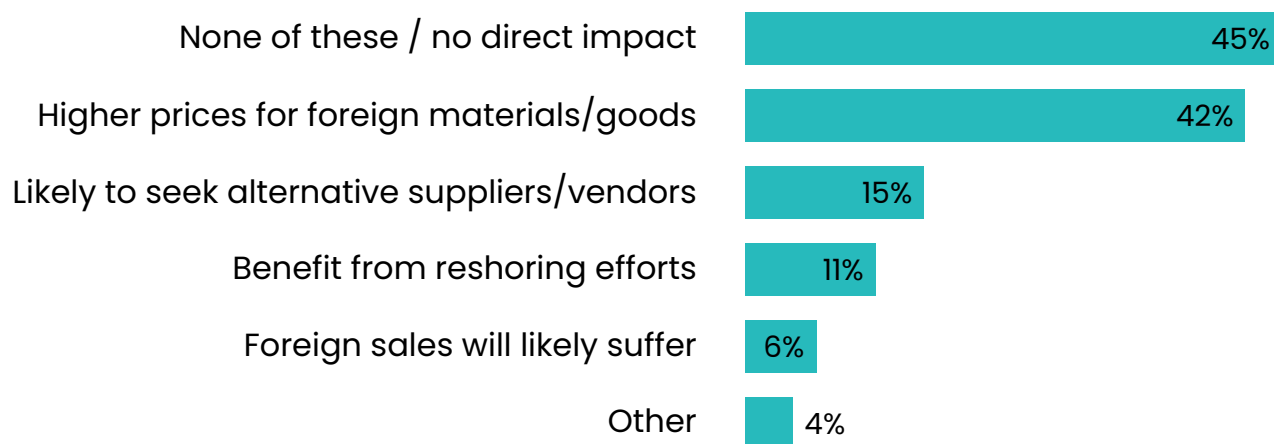
bury a small business in debt.” Instead, he advises entrepreneurs to focus on financial strength, a well-defined business plan, and expert guidance when seeking capital in 2025.

OUTLOOK

Decreased sales, profits, and excess cash contributed to deteriorated financial conditions in Q1 2025

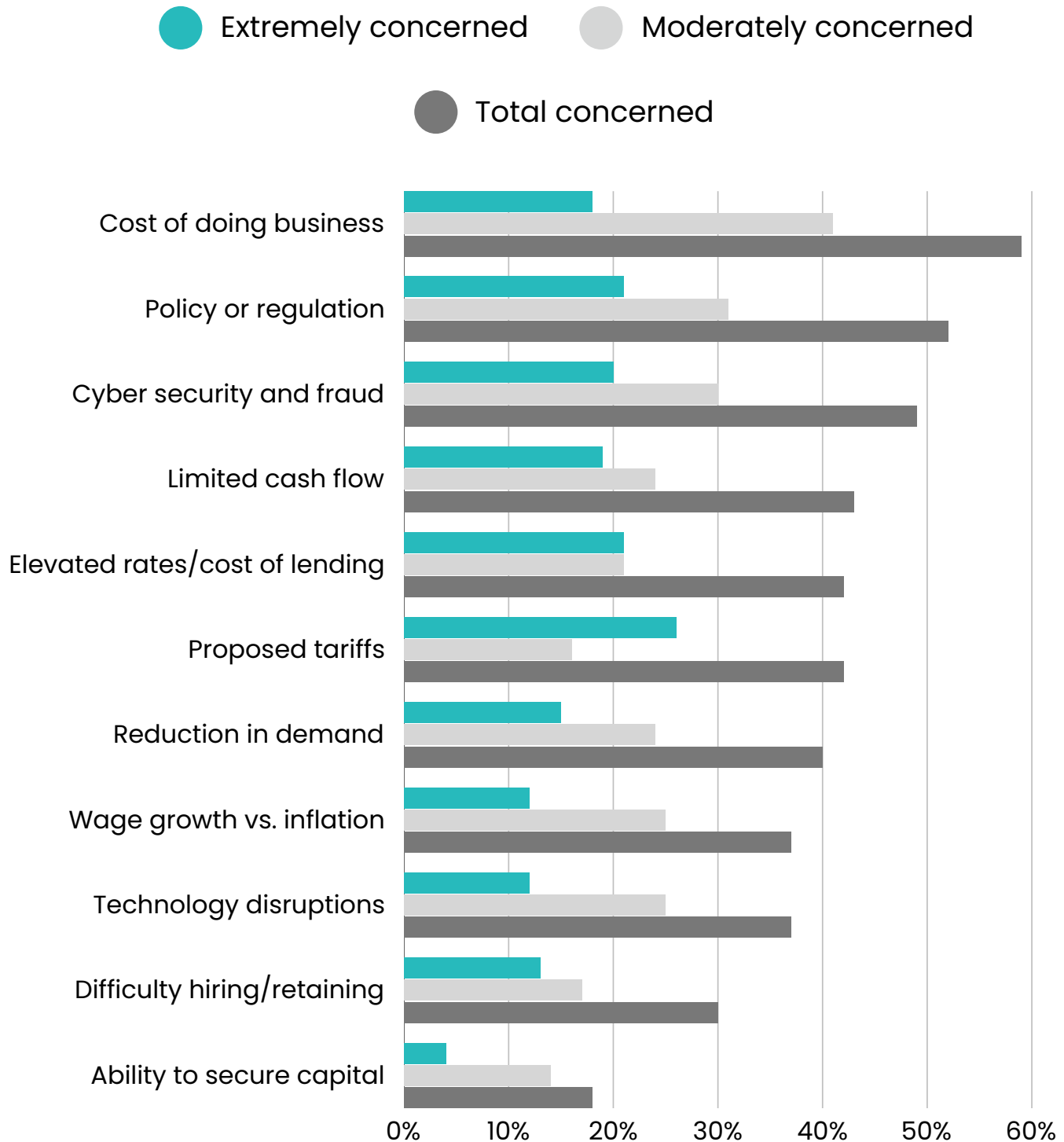


How small businesses expect to be impacted by tariffs in 2025 (Q1 Survey)



SOURCE: LIVE OAK BANK | BUSINESSPULSE QUARTERLY DATA (Q1 2025)

Small businesses' top concerns in Q1 2025



SOURCE: LIVE OAK BANK | BUSINESSPULSE QUARTERLY DATA (Q1 2025)

OUTLOOK

Planning Matters More Than Ever for Business Buyers and Sellers

“The silver tsunami is real,” McGinley says, “and a lot of businesses that will need to transition ownership do not have solid succession plans.” As more owners retire, acquisition demand will remain high, but not every deal will succeed. “Successful acquisitions will hinge on careful planning and execution,” McGinley warns. “Venturing outside one’s area of expertise or attempting remote management of acquired businesses is a recipe for failure.” For current owners, lack of succession planning remains a real risk, too. Without it, McGinley cautions, business value can erode, making it harder to sell.

Capital Strategies for 2025

While economic uncertainty remains, businesses that approach financing strategically will be best positioned for growth. For entrepreneurs seeking capital in 2025, McGinley offers three key pieces of advice:

1. Demonstrate Financial Strength

Before seeking financing, businesses must prove they can withstand economic fluctuations. “Ensure that your business is profitable,” McGinley advises. “If recent cost increases have reduced margins, be sure you are taking measures to increase profitability by adding new customers or reducing other expenses.” He also stresses the importance of maintaining a robust cash reserve, even if it’s slightly below an owner’s comfort level, noting that lenders want to see a business that can weather potential storms.



2. Develop a Compelling Business Plan

Whether financing organic growth or an acquisition, a well-defined strategy is critical. For acquisitions, McGinley warns that success requires hands-on involvement. “The plan must include a detailed integration strategy, emphasizing daily, on-site involvement in the acquired business and a commitment to working closely with existing employees and clients,” he says. Additionally, geographic proximity and alignment with the buyer’s expertise are crucial to making acquisitions work.

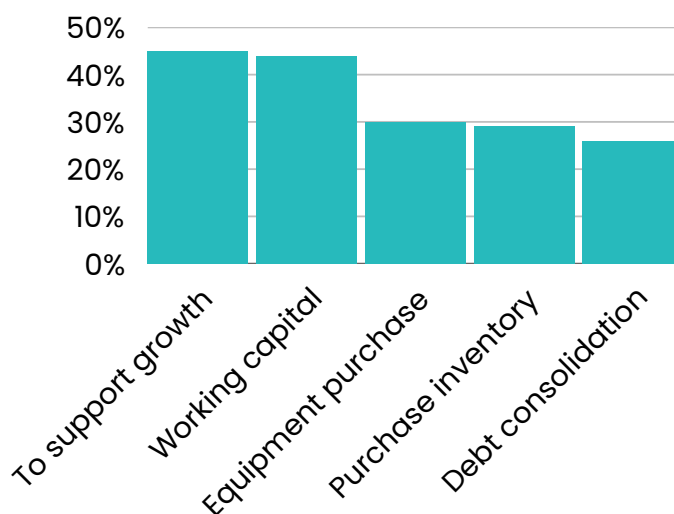
3. Seek Expert Guidance

With more financing options available than ever, navigating the lending landscape can be complex. “Consult with financial advisors and experienced lenders to understand your options and present your business in the most favorable light,” McGinley advises. While quick capital solutions like merchant cash advances may seem appealing, he warns that they often lead to financial distress. “I have seen so many businesses struggle or even close their doors after obtaining this type of financing,” he notes.

OUTLOOK

Instead, McGinley emphasizes that traditional lenders, including SBA lenders, are becoming much more efficient with technology and AI, enabling faster access to capital at significantly lower interest rates. With a strong financial foundation, a thoughtful plan, and the right guidance, businesses in 2025 can secure financing that fuels sustainable growth rather than creating unnecessary risk. Ultimately, while 2025 will present further hurdles, it will also create opportunities for businesses that position themselves for growth. Whether through strategic acquisitions, embracing technology, or securing capital responsibly, the businesses that navigate this difficult environment well can emerge much more competitive on the other end.

Small businesses' reasons for expecting to apply for additional credit



SOURCE: LIVE OAK BANK | BUSINESSPULSE QUARTERLY DATA (Q1 2025)

What You'll Find Inside The Rest of This Report

The following is a collection of Main Street snapshots in 2025, including data and insights shaped by what we see through our community, network, and investments. Inside, you'll find:

- **Small Business Buyer Survey Data** – Key trends, financial insights, and real-world data from our business-buying community.
- **Business Owner Spotlights** – Stories from members of our community who are actively buying, building, and scaling small businesses.
- **Blue-Collar Boom** – Insights from operators and founders in the trades, exploring what's working, where opportunities are emerging, and how industries are evolving.
- **Main Street Tech** – A look at some of the startups in our venture portfolio that are modernizing how small businesses operate.

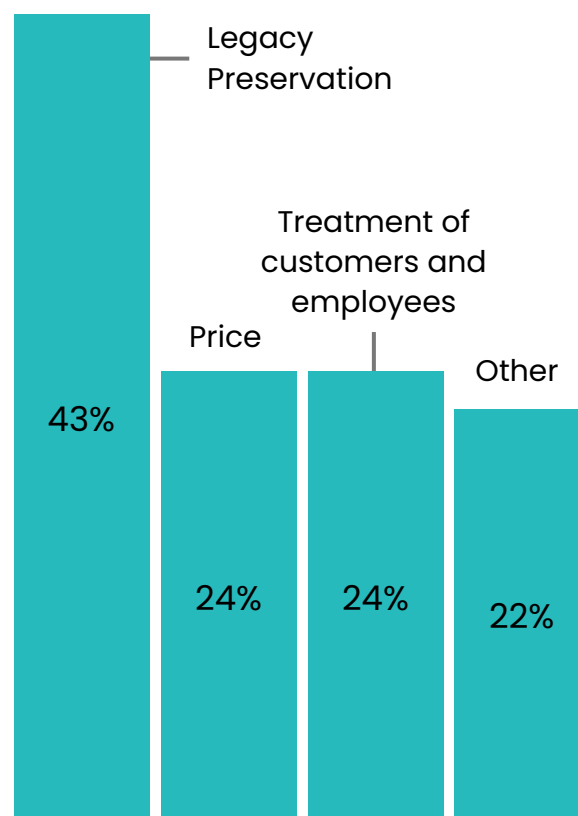
MAIN STREET ACQUISITIONS

INSIGHTS FROM THE CONTRARIAN THINKING COMMUNITY

A Seismic Shift Is Underway

Over the next decade, millions of businesses will change hands — not through flashy IPOs or billion-dollar buyouts, but through quiet, personal transactions between retiring owners and the next generation of entrepreneurs. With aging business owners exiting and a new wave of acquirers stepping up, Main Street is undergoing a substantial transfer of ownership. According to Live Oak Bank survey data from recent years, **70% of small business owners have no formal succession plan, yet nearly one-third expect to transition ownership within five years.** Even more telling, 26% have accelerated their transition plans, signaling a growing urgency to find the right buyers before retirement forces their hand. As such, when buying a small business in 2025, it is critical to be concerned about what sellers value when they look to exit. Live Oak data shows that 43% of business owners care most about preserving their company's legacy and integrity, prioritizing stability over a quick payout. In contrast, the primary concern for 24% was maximizing the sale price.

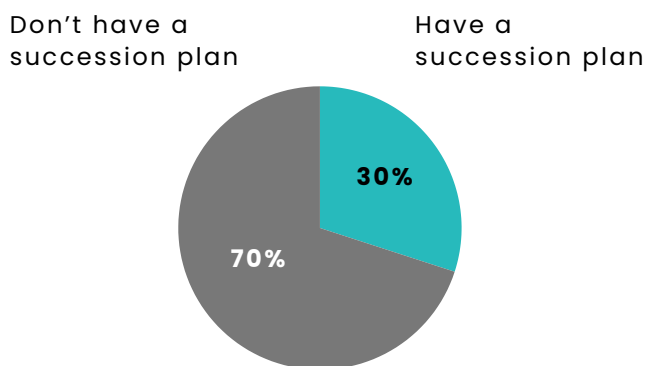
Priorities for business owners when selecting a buyer



SOURCE: LIVE OAK BANK QUARTERLY RESEARCH, 2023

COMMUNITY INSIGHTS

Percentage of small business owners that do not have a succession plan



SOURCE: LIVE OAK BANK QUARTERLY RESEARCH, 2023

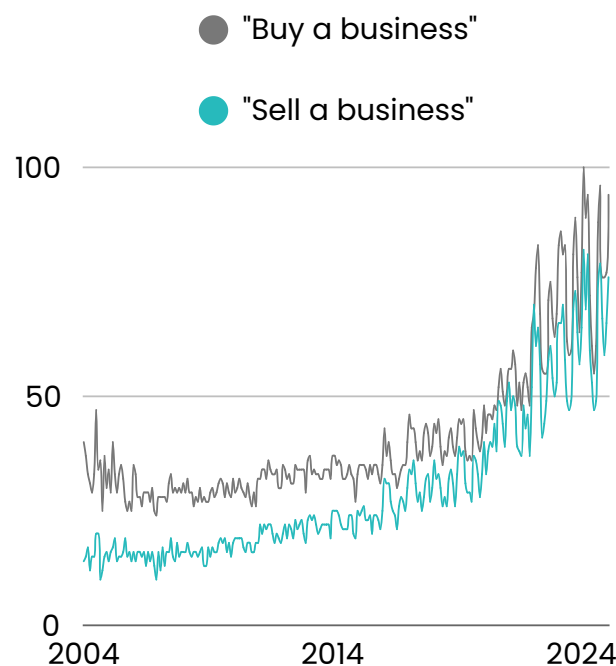
For today's buyers, this is a rare and strategic moment. The next wave of sellers isn't just chasing top dollar, they're looking for stewards. People who will protect their employees, preserve their legacy, and carry forward what took decades to build. The old model, simply passing the baton to the next generation, is fading. In its place, a new kind of entrepreneur is rising: one who sees acquisition, not a built-from-scratch startup, as a smarter path to ownership for them.

"I'm Buying a Business" is the New "I'm Launching a Startup"

For years, "entrepreneurship" meant pitching VCs in a hoodie, chasing unicorn status, and praying for an exit. But that image is shifting. The spotlight is moving from high-burn startups to cash-flowing small businesses, an underrated but proven path to wealth and autonomy. The shift is already happening. "Small business owner" is becoming as aspirational as "startup founder." Words like "cash flow," "acquisition," and "profitable" now carry the

weight they deserve. More professionals, investors, and first-time entrepreneurs are realizing that, depending on their goals, buying a profitable business can beat building from zero. And the acquisition ecosystem is exploding. Operators are sharing unfiltered insights on X, LinkedIn, and beyond, offering a behind-the-scenes look at what it takes to buy and run a Main Street business. Lawyers, brokers, and dealmakers are building massive followings, offering insider knowledge on valuations, negotiations, and financing. Media creators and educators, including us, are focused on building what traditional MBA programs have missed: real resources for buying and growing small businesses. This knowledge used to be kept inside private equity firms and family offices. Now it's going mainstream.

Relative Google Search interest for "Buy a business" and "Sell a business"



COMMUNITY INSIGHTS

Ownership isn't just a trend — it's now a paradigm shift in how people think about building wealth. More people than ever are exploring small business ownership not as a fallback, but as a deliberate strategy for financial and personal freedom.

What We Learned from Last Year's Report

The small business acquisition landscape isn't just shifting on a macro level. It's also transforming within communities of active business buyers. Our survey of the Contrarian Community last year revealed just how much time and energy buyers are putting into their search for a business. **Many reported spending up to 30 hours per week** sourcing, evaluating, and pursuing deals. To put that in perspective, 20 hours a week is nearly three hours a day. It's a serious commitment that speaks to the competitive, time-intensive nature of Main Street acquisitions. As community member Sage Price

put it: "Buying a business isn't easy. It takes hard work, time, and dedication. It can take months, or more than a year, to find the right business." For many buyers, the motivation goes beyond financial gain. A large share of respondents were married with children, highlighting that ownership is often about long-term family security, not just personal wealth. "We live in a very rural area and there's not much opportunity," said James Pader. "So in many ways, my original intent was to buy jobs for my children to grow into." Others shared similar motivations, seeing acquisitions as a legacy investment. Ben Larrabee explained, "My 'why' is to build a legacy for my family. While I want to grow wealth, I also want to impart the entrepreneurial mindset to my sons." The takeaway is clear to us. Buying a business is not just about money. It is about time, persistence, and, for many, the desire to build something larger than themselves that lasts for the next generation.





2025 EXPERT Q&A

A CONVERSATION ABOUT MAIN STREET ACQUISITIONS,
WITH THE LEADER OF THE CONTRARIAN COMMUNITY

We sat down with Lloyd Silver, CFA, a business broker, multi-store laundromat owner, and the Head of Product & Experience at the Contrarian Community, to discuss where the best opportunities lie in 2025, the biggest challenges buyers face, and why peer support is more critical than ever.

What do you see as the most promising opportunities for small business buyers in 2025?

Lloyd: Several industries stand out to me in 2025. Educational businesses (preschools, tutoring, STEM programs) continue to see strong demand. Pet services (grooming, daycare, boarding) are thriving as pet ownership rises. Health and wellness (fitness studios, med spas) remain resilient as consumers prioritize well-being. Beyond industry trends, the biggest opportunity may lie in AI adoption. Main street businesses that implement AI for automation, marketing, or

operations will see increased efficiency and stronger margins. On valuations, multiples are climbing as more serious buyers enter the space, but well-structured deals can still be found at reasonable prices. The key is focusing on businesses with strong fundamentals and opportunities for operational improvements.

What do you think are the biggest challenges small business buyers and owners will continue to face in 2025?

Lloyd: Economic uncertainty remains a major concern. Interest rates, tariffs, inflation, and overall market conditions could put pressure on revenue and profitability. Buyers need to stress-test financials and ensure they have a buffer for potential downturns. Labor shortages continue to be a challenge, making team retention another critical factor when evaluating a deal.

COMMUNITY INSIGHTS

Businesses that rely heavily on skilled labor or have weak leadership teams may pose risks. Additionally, as competition increases, new buyers must be more strategic, understanding financing options, negotiating favorable terms, and ensuring they're acquiring businesses with durable demand. Those who approach acquisitions with a clear strategy and strong operational plans will be best positioned for success.

What role do you see community playing in helping buyers and owners overcome challenges in 2025?

Lloyd: Buying and running a business can feel isolating, but peer support changes everything. Research shows that accountability increases goal achievement by up to 95%. Being part of a community of like-minded entrepreneurs accelerates learning, provides access to real-time problem-solving, and creates a network for deal flow, partnerships, and operational insights. Unlike books or courses, peer-to-peer support offers real-world experience, battle-tested strategies, and direct feedback from those who've been there. The right community doesn't just offer advice — it holds you to a higher standard, pushes you to take action, and helps you navigate obstacles with confidence. Success in business ownership isn't just about what you know, it's about who you surround yourself with.



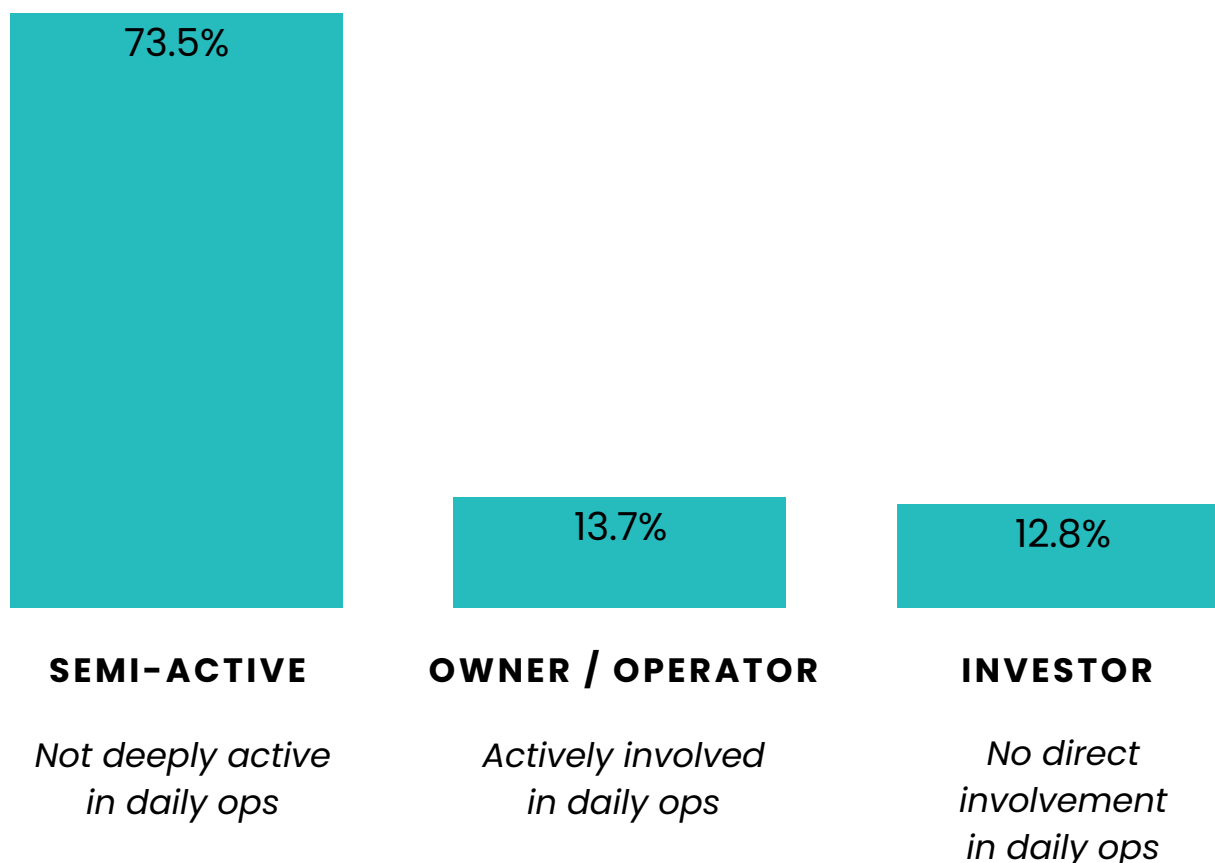


2025 **CONTRARIAN** THINKING COMMUNITY SURVEY DATA

INSIDE THE MINDS OF MAIN STREET BUSINESS BUYERS

Data and insights from a Q1 2025 survey of 230 current and aspiring business buyers in the Contrarian Community. Learn about their goals, challenges, activity, and more.

1. BUSINESS BUYERS' IDEAL EVENTUAL POST-ACQUISITION ROLE

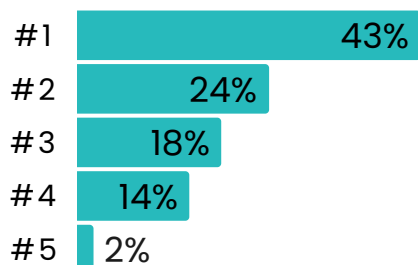


Most buyers (73.5%) aim for an eventual semi-active role — owning a business without being involved deeply in the day-to-day operation. Just 13.7% plan to be long-term owner-operators, and 12.8% see themselves as pure investors, focused little or not at all on operations. While many start off involved, the data shows most view ownership as a path to wealth, not a long-term job. The ultimate goal: build a business that runs smoothly with a strong team.

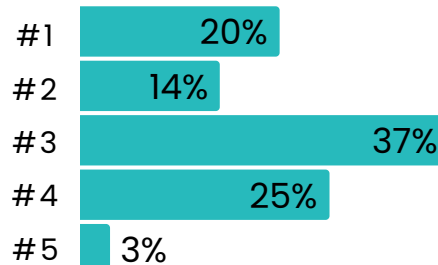
SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

2. PREFERRED DEAL SOURCING METHODS FOR BUSINESS BUYERS

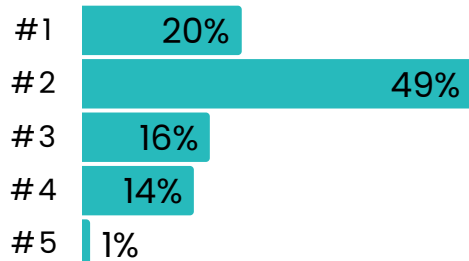
ONLINE MARKETPLACES



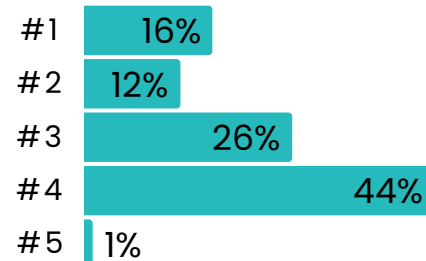
DIRECT OUTREACH



BROKERS



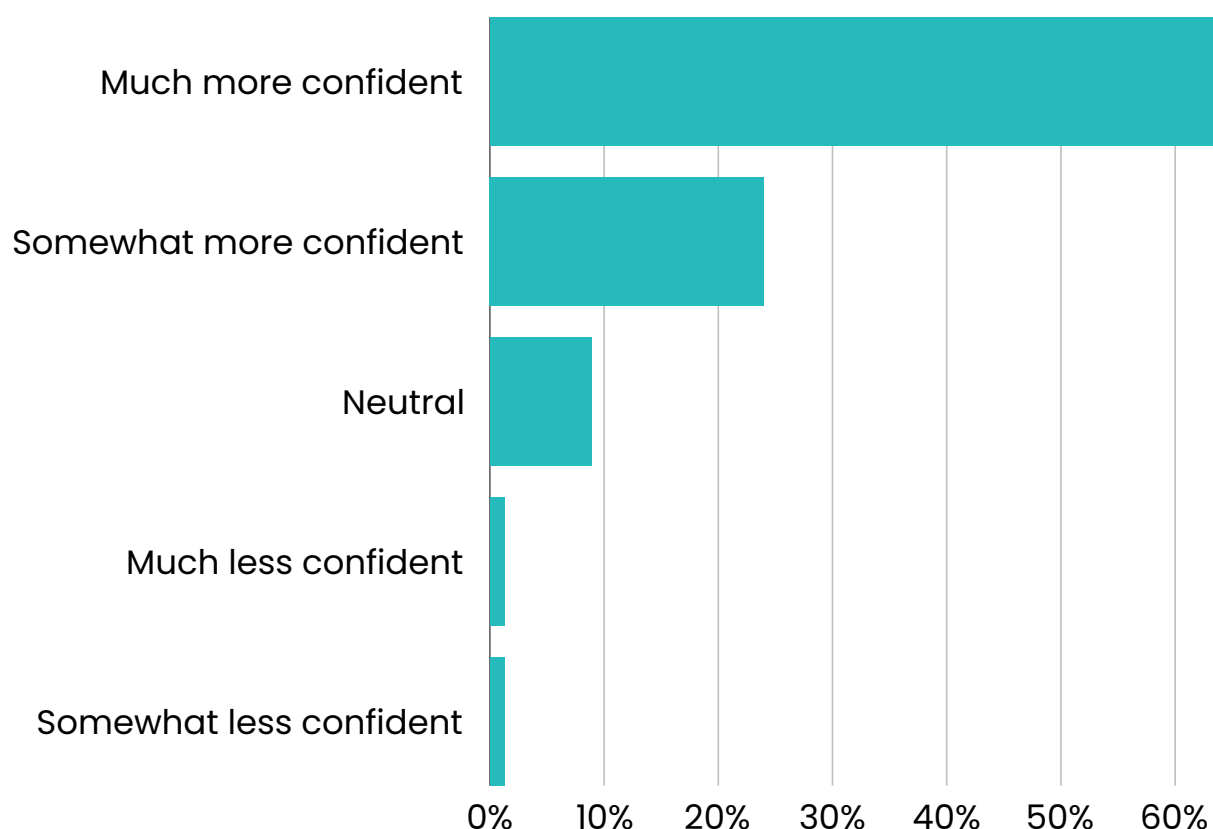
NETWORKING



Online marketplaces lead the way with a 2.08 average rank, offering easier access and deal volume, though often with more competition and lower-quality listings. Brokers follow at 2.27, showing buyers still value expert guidance and vetted dealflow. Direct outreach (2.77) ranks third, reflecting the appeal for off-market opportunities despite the extra effort. Networking (3.02) comes next, useful but not a primary method, and “other” (4.85) ranks last, confirming that most buyers stick to these four core sourcing strategies.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

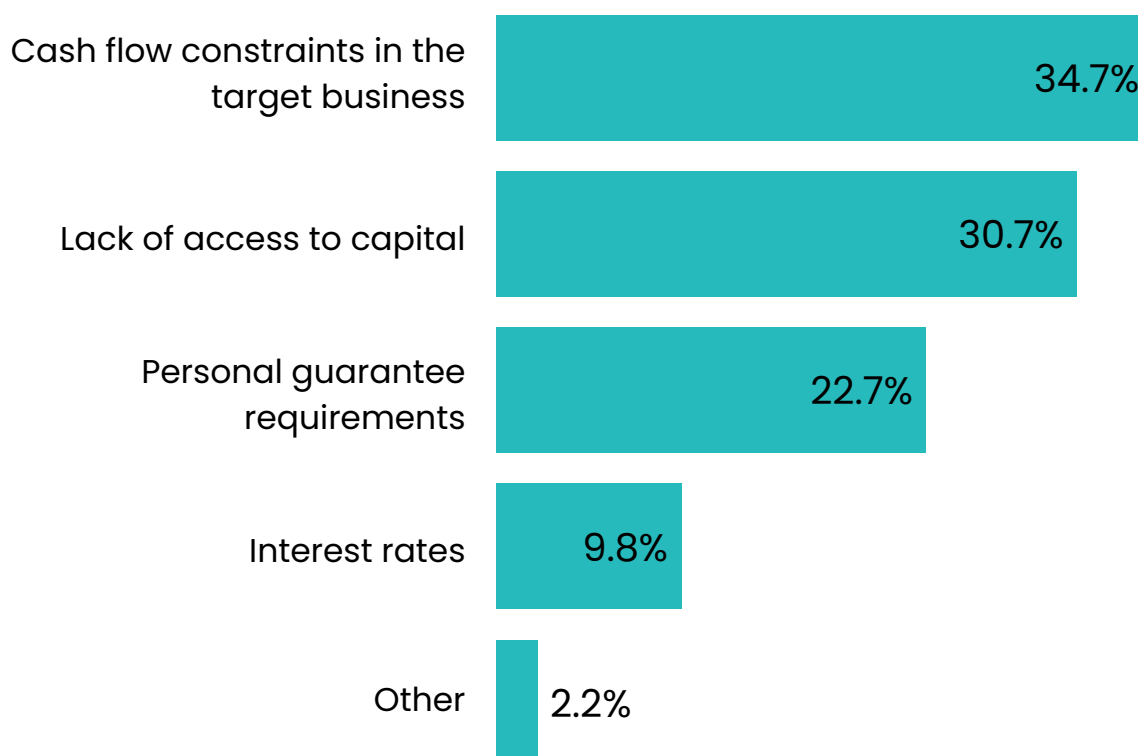
3. IMPACT OF OUR COMMUNITY ON BUSINESS BUYERS' CONFIDENCE IN CLOSING A DEAL



The data is clear — community matters. Nearly 65% of respondents feel “much more confident” about buying a business after joining our community, and another 24% feel “somewhat more confident,” with almost 90% reporting a boost. Just 8.9% remain neutral, and only 2.6% feel less confident. The takeaway: shared knowledge, peer support, and resources make a major difference in navigating the acquisition journey.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

4. BUSINESS BUYERS' BIGGEST CONCERNS IN FINANCING AN ACQUISITION

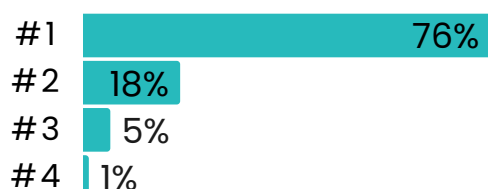


Cash flow constraints top the list (34.7%), with buyers most concerned about the target business generating enough to cover debt and expenses. Lack of access to capital (30.7%) comes next, underscoring the challenge of securing funding despite available options. Personal guarantees (22.7%) rank third, reflecting hesitation to risk personal assets. Interest rates (9.8%) are a lesser concern but still on the radar, especially in an elevated rate environment. Just 2.2% selected "Other," confirming that these four issues dominate buyers' financial worries.

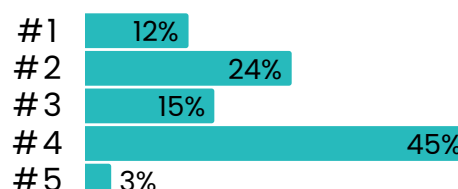
SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

5. HOW BUSINESS BUYERS ARE MEASURING SUCCESS IN A FIRST ACQUISITION

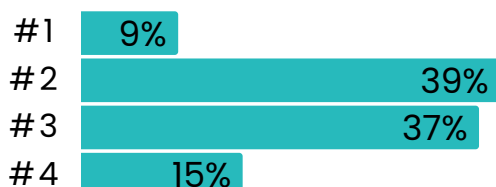
FINANCIAL METRICS



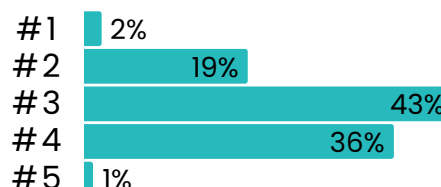
LIFESTYLE IMPROVEMENTS



OPERATIONAL IMPROVEMENTS



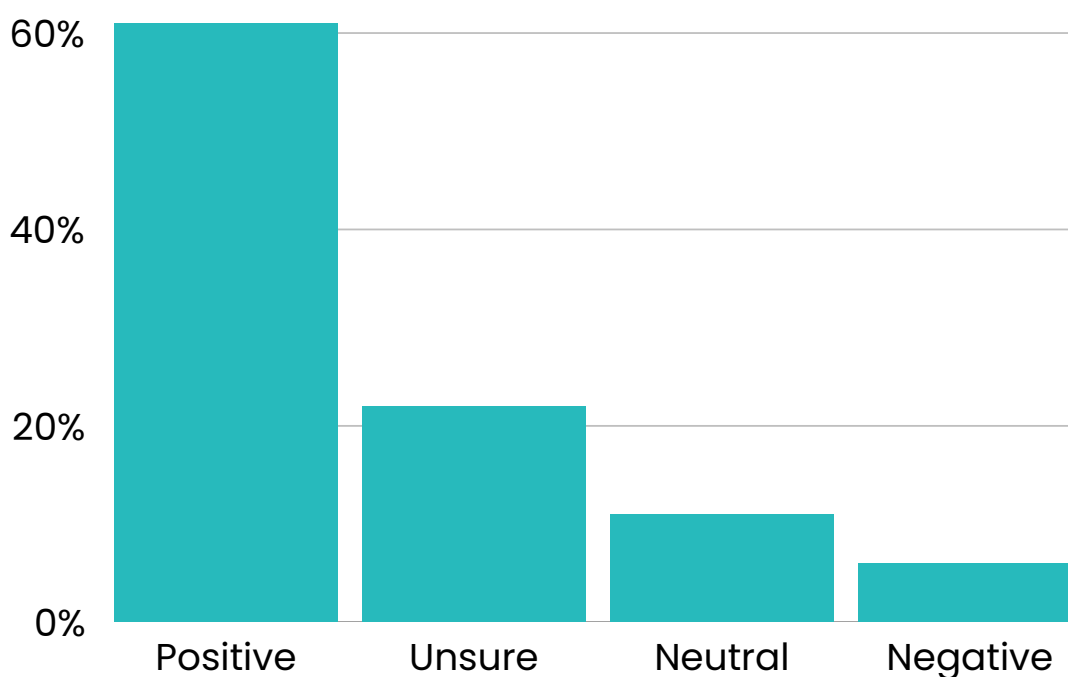
EMPLOYEE SATISFACTION



Financial metrics lead by far with a 1.32 average rank, showing buyers are laser-focused on profitability, revenue, and cash flow as the primary markers of success. Operational improvements (2.59) come next, lifestyle gains (3.02) rank third, and employee satisfaction (3.16) follows closely, suggesting team satisfaction is valued but not the top priority early on. “Other” (4.92) ranks last, confirming that these four factors capture what most buyers define as success.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

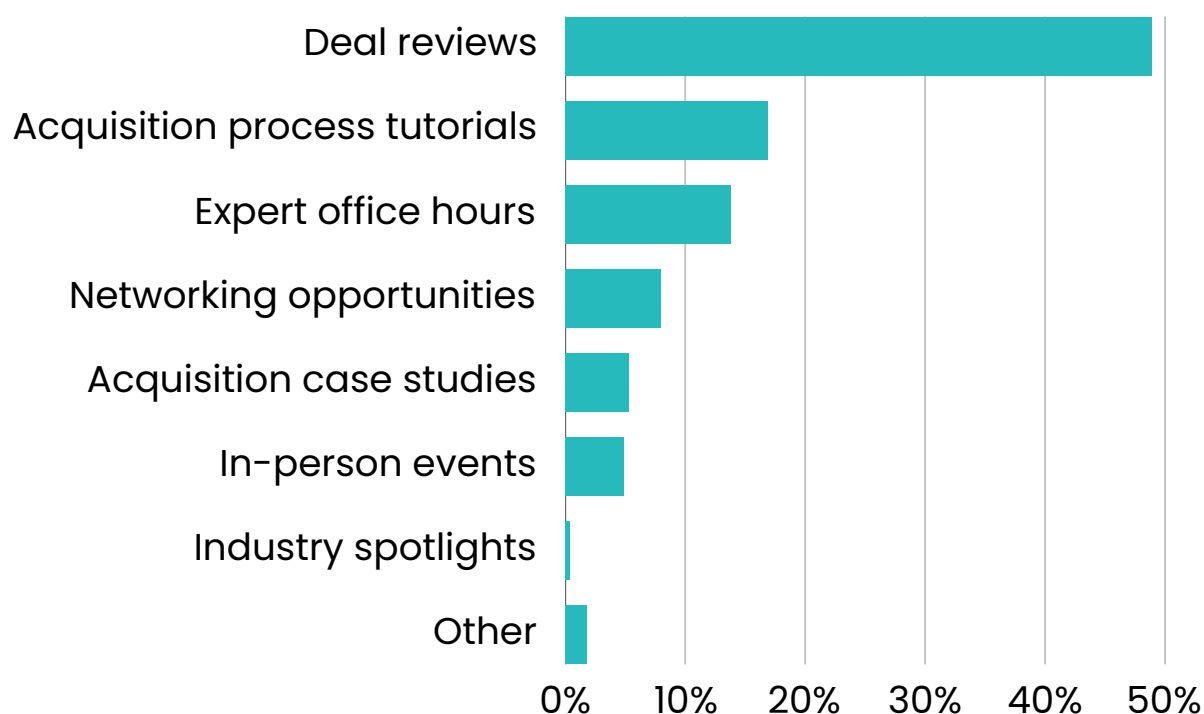
6. BUSINESS BUYERS' ANTICIPATED IMPACT OF THE TRUMP ADMIN. ON MAIN STREET ACQUISITIONS



Note, this survey was conducted *prior* to the onset of recent tariff activity. At that point, a clear majority (60.9%) said they believe the new administration will have a positive impact, pointing to potential boosts like better financing and tax incentives. Another 22.2% are unsure, reflecting uncertainty around how economic policies will play out. Just 11.1% expect no impact, while only 5.8% foresee negative effects, suggesting most buyers view the administration's approach as supportive, or at least neutral, for small business and Main Street acquisitions. However, it is possible these numbers have shifted in recent weeks.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

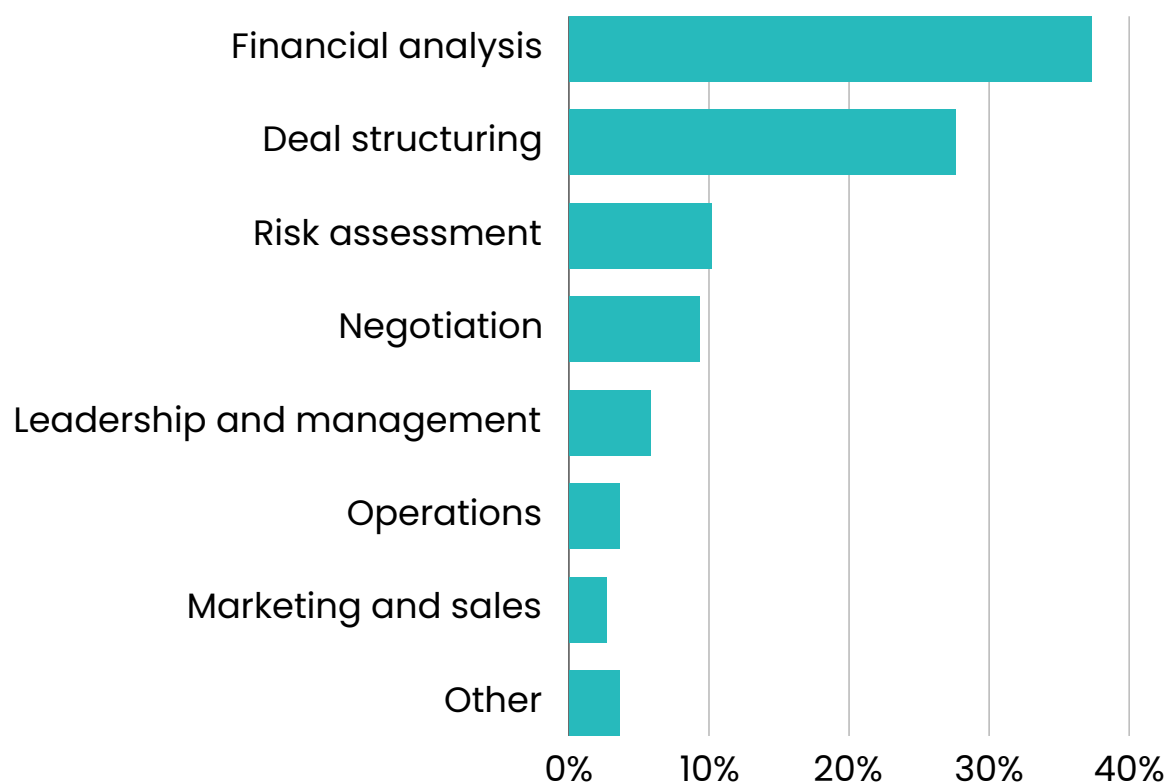
7. HOW BUSINESS BUYERS RANK THE MOST VALUABLE CONTENT & RESOURCES IN OUR COMMUNITY



Deal reviews top the list (48.9%), showing that real-world deal analysis is the most valued resource for aspiring buyers. Tutorials on the acquisition process (16.9%) come next, highlighting the need for structured, step-by-step guidance. Expert office hours (13.8%) underscore the value of direct access to seasoned pros. Networking (8%) and case studies (5.3%) matter, but less so — buyers clearly prefer actionable insights over general connections or stories. In-person events (4.9%) and industry spotlights (0.4%) rank lowest, suggesting they're nice-to-haves, not must-haves, in the learning journey.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

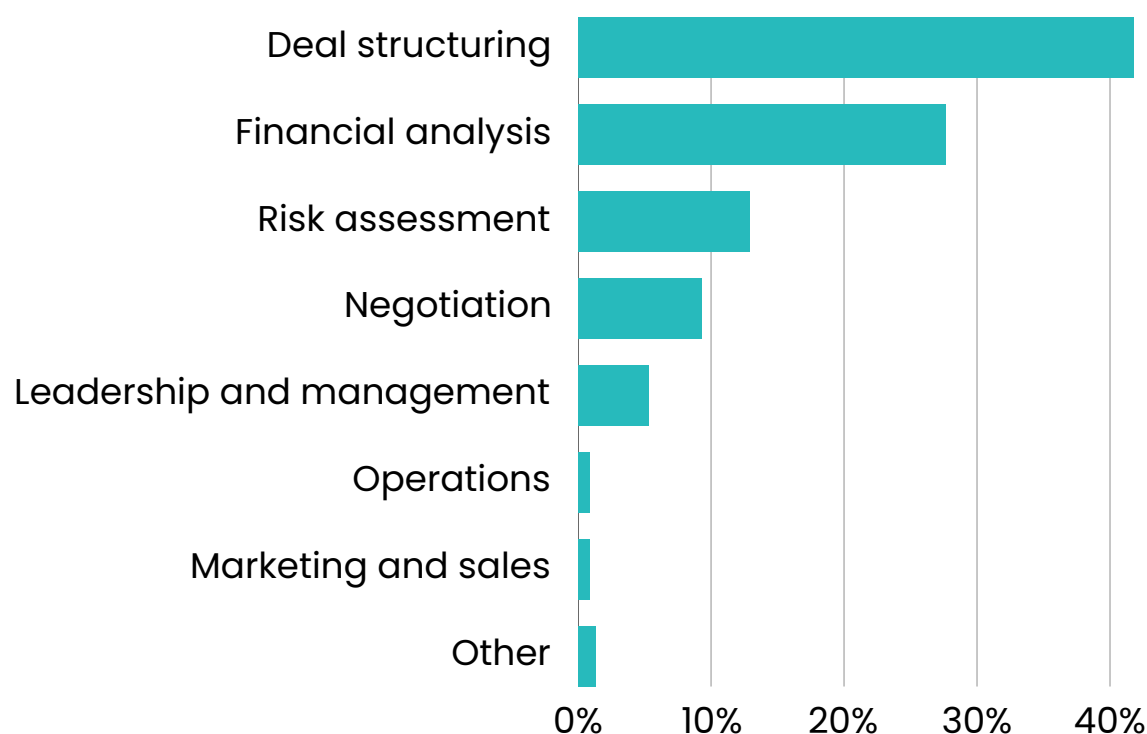
8. PERCEIVED MOST CRITICAL SKILL FOR ACQUISITION SUCCESS (BEFORE JOINING THE COMMUNITY)



Financial analysis (37.3%) leads the list, showing that most aspiring buyers initially see “mastering the numbers” as the key to success. Deal structuring (27.6%) follows, reflecting a strong focus on crafting favorable terms. Risk assessment (10.2%) and negotiation (9.3%) come next, seen as important but secondary. Leadership, operations, and marketing rank lowest, suggesting buyers don’t view them as essential to getting a deal across the finish line.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

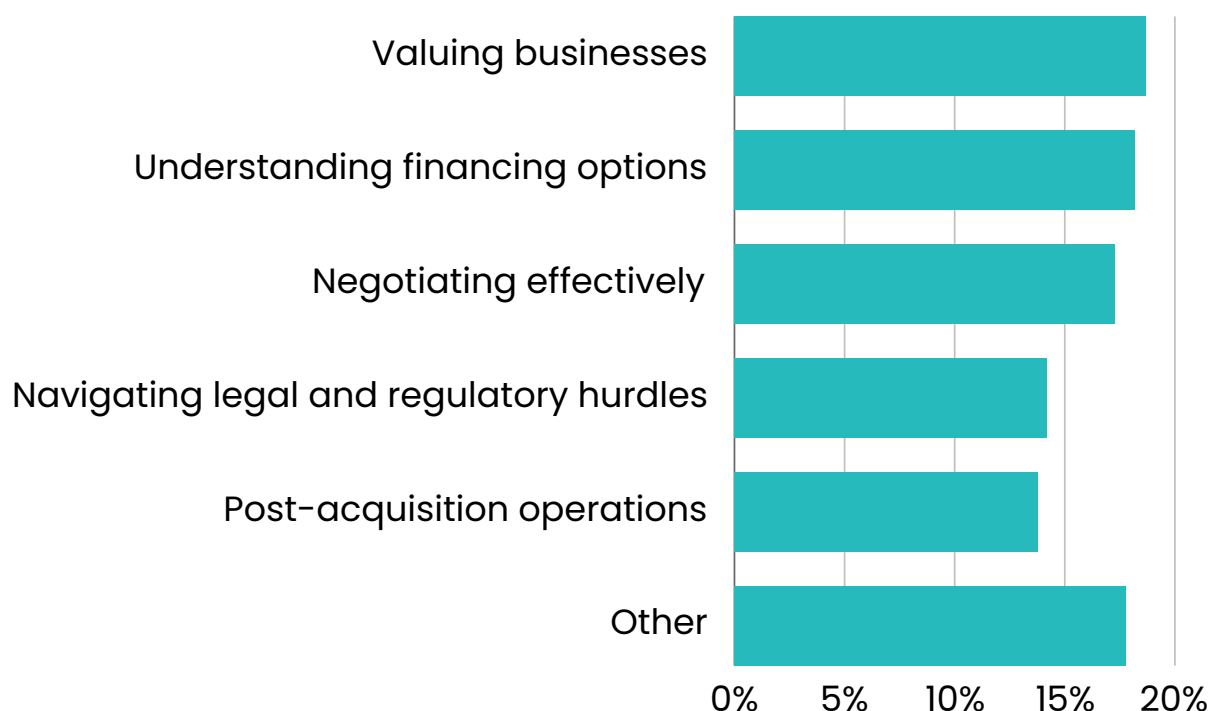
9. PERCEIVED MOST CRITICAL SKILL FOR ACQUISITION SUCCESS (AFTER JOINING THE COMMUNITY)



As buyers gain experience, deal structuring (41.8%) clearly overtakes financial analysis (27.6%) as the most critical skill, showing that knowing how to craft the right terms matters most to buyers. Risk assessment (12.9%) and negotiation (9.3%) also rank high, underscoring the need to manage downside and lock in favorable terms. Leadership, operations, and marketing rank lowest, suggesting that while running the business is vital, buyers see deal execution as the real gatekeeper to ownership.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

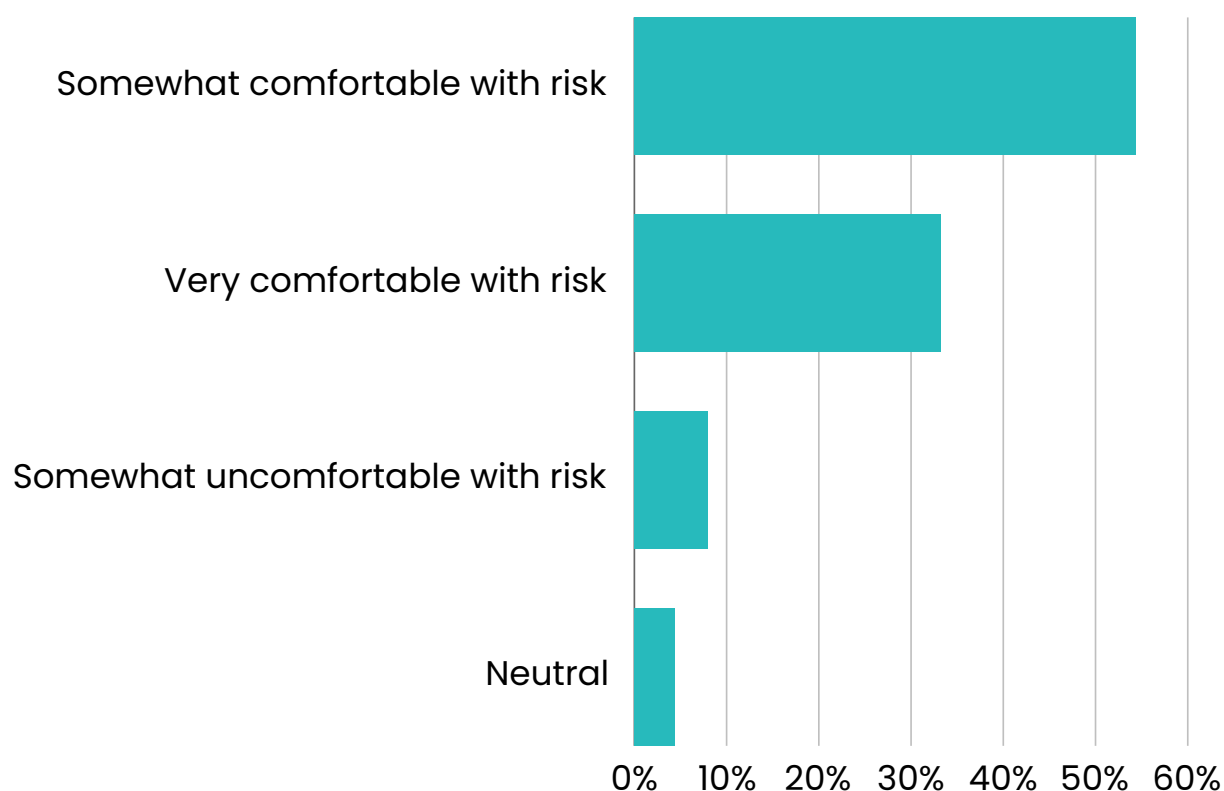
10. BIGGEST SKILL GAPS HOLDING BUSINESS BUYERS BACK FROM COMPLETING AN ACQUISITION



Buyers' top three challenges — pricing, funding, and deal terms — are nearly tied, highlighting the core struggles of structuring a successful acquisition. Legal hurdles (14.2%) and post-acquisition operations (13.8%) follow, showing execution matters, but getting the deal done is the priority. The high "Other" response (17.8%) points to personal and unique obstacles, from time management to finding the right fit. Beyond technical skills, buyers are grappling with both strategic and personal roadblocks on the path to ownership.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

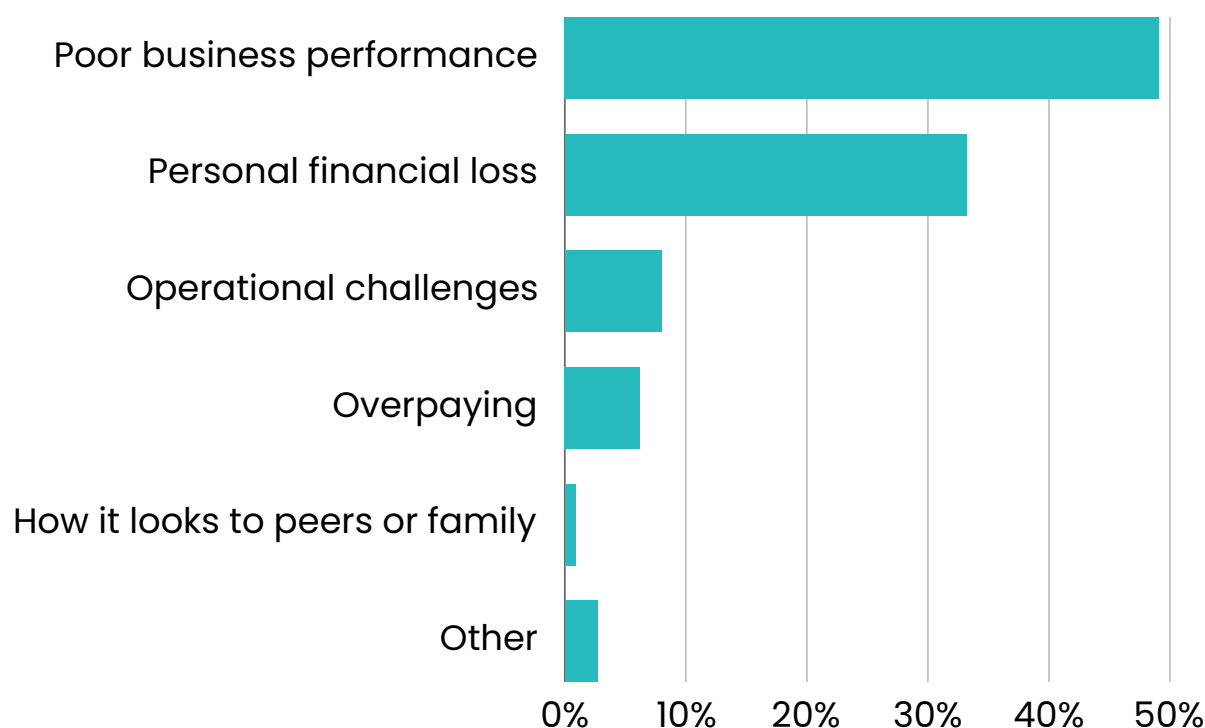
11. HOW BUSINESS BUYERS DESCRIBE THEIR APPETITE FOR RISK



The overwhelming majority of respondents — 87.6% — are *at least* somewhat comfortable with risk, with 54.4% feeling “somewhat comfortable” and 33.2% “very comfortable.” This suggests that most aspiring business buyers understand that acquisitions inherently involve uncertainty and are willing to take calculated risks. Only 8% feel somewhat uncomfortable with risk, and none describe themselves as very uncomfortable, reinforcing the fact that those pursuing acquisitions tend to have a higher-than-average risk tolerance.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

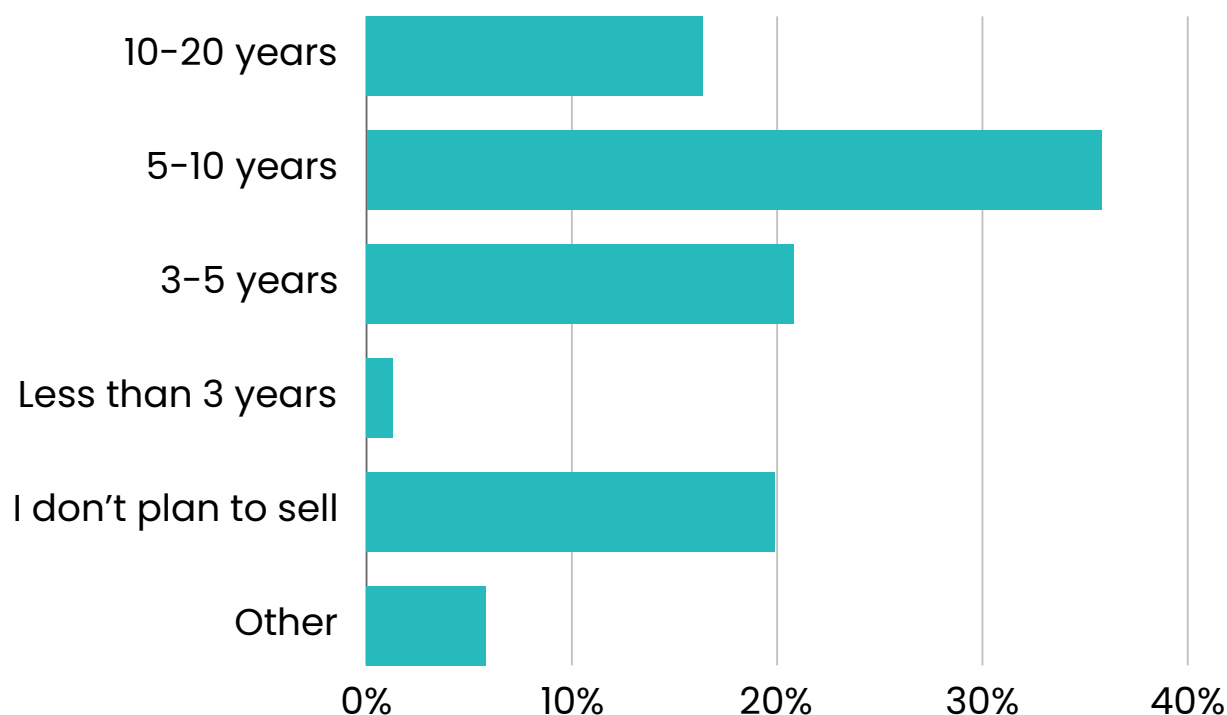
12. BUSINESS BUYERS' BIGGEST FEARS ABOUT BUYING A BUSINESS



The top fear for buyers is poor post-acquisition performance (49.1%), reflecting concerns about the business failing under new ownership. Personal financial loss (33.2%) is next, underscoring the high-stakes nature of these deals. Operational issues (8%) and overpaying (6.2%) also register, though less prominently. Few buyers (0.9%) care about how the deal appears to others, signaling that external validation isn't a major factor. "Other" responses (2.7%) reveal less common worries, but the central concern is clear: will the business actually perform once the deal closes?

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

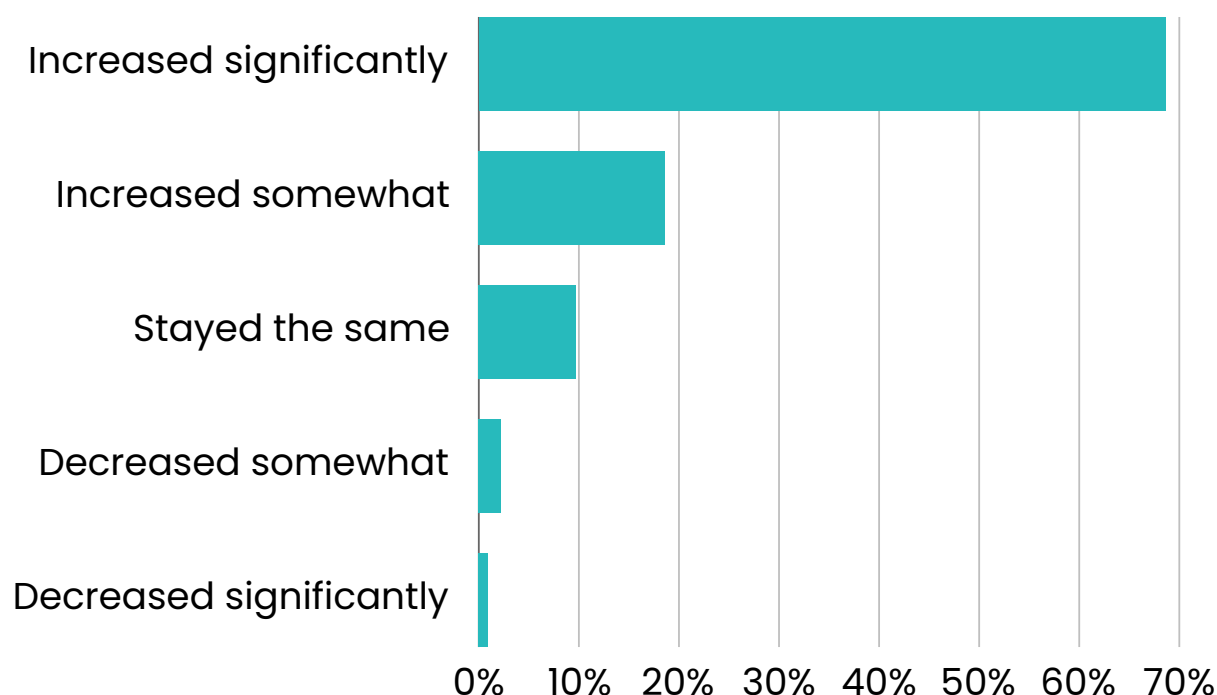
13. PLANNED EXIT TIMELINE FOR BUSINESS BUYERS



Most buyers see their acquisitions as medium- to long-term plays, with 35.8% targeting a 5-10 year exit and 20.8% planning to sell in 3-5 years. However, 19.9% have no plans to sell, indicating a sizable group focused on very long-term ownership. Another 16.4% expect to hold for 10-20 years, while very few (1.3%) aim for a sale in under three years. The "Other" (5.8%) responses suggest mixed or flexible exit strategies. Overall, the data shows that most buyers aren't looking for rapid turnarounds—they're thinking in multi-decade horizons, balancing growth, stability, and eventual exit opportunities.

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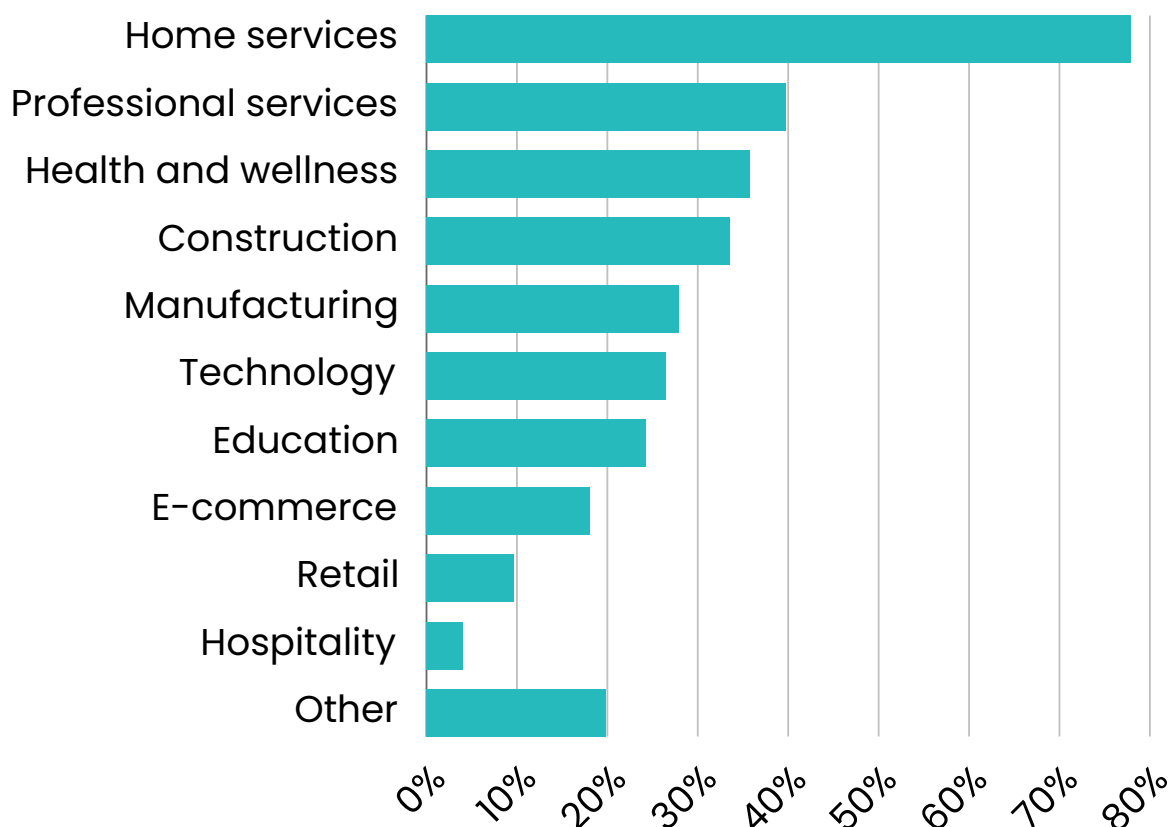
14. CHANGE IN INTEREST IN ACQUISITIONS SINCE JOINING AN ACQUISITIONS COMMUNITY



Joining the community has significantly increased members' interest in acquisitions, with 68.6% of respondents saying their interest has grown substantially, and another 18.6% reporting a moderate increase. Only 9.7% say their interest has stayed the same, while a small fraction (3.1%) report a decline. The overwhelming takeaway? Exposure to experts, education, deal analysis, and peer accountability fuels a deeper commitment to business buying.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

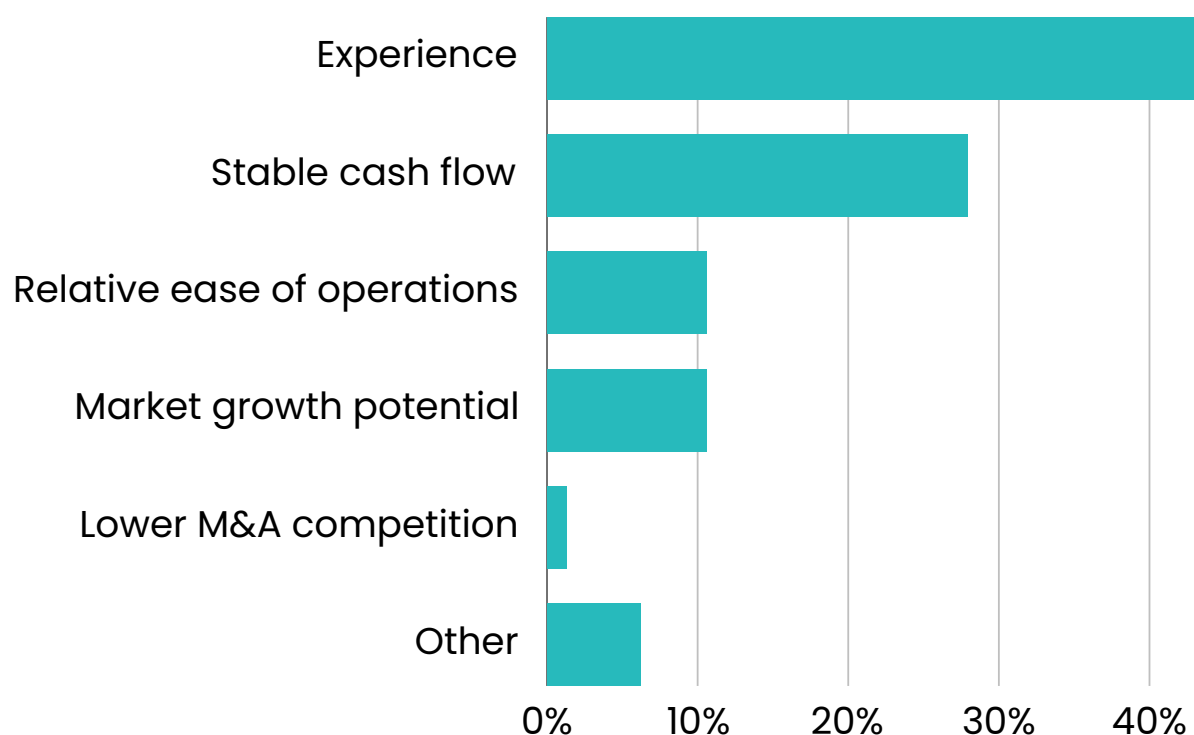
15. BUSINESS BUYERS' INDUSTRIES OF INTEREST



Home services (77.9%) lead the pack, with HVAC, plumbing, and landscaping among the most sought-after. The “Other” (19.9%) category includes interest in laundromats, car washes, pet services, security, real estate, and industrial services. Many buyers favor niche service businesses with strong local demand and steady cash flow, while others stay industry-agnostic, prioritizing deal economics. Overall, buyers gravitate toward essential, service-based businesses, with some eyeing tech, manufacturing, and real estate-related plays.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

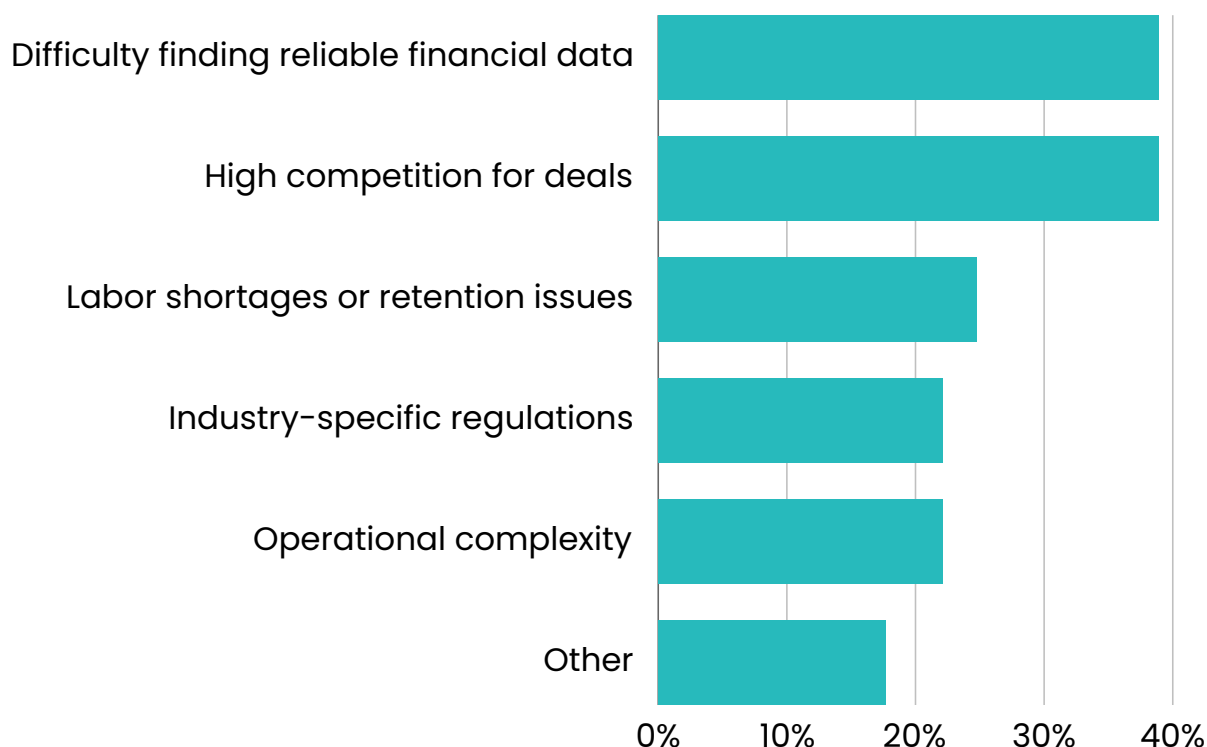
16. WHY BUSINESS BUYERS ARE INTERESTED IN SPECIFIC INDUSTRIES



Familiarity or past experience (43.4%) is the top driver for industry selection, showing buyers prefer what they know. Stable cash flow (27.9%) ranks second, underscoring the value of predictable revenue. Ease of operations and market growth potential (both 10.6%) tie for third, pointing to a balance between simplicity and upside. Lower competition (1.3%) ranks last, suggesting few prioritize hidden markets. “Other” responses (6.2%) include recession resistance, moats, recurring revenue, personal alignment, and social impact. Some buyers also pursue vertical integration or diversification. Overall, buyers prioritize what they understand, what pays reliably, and what can last.

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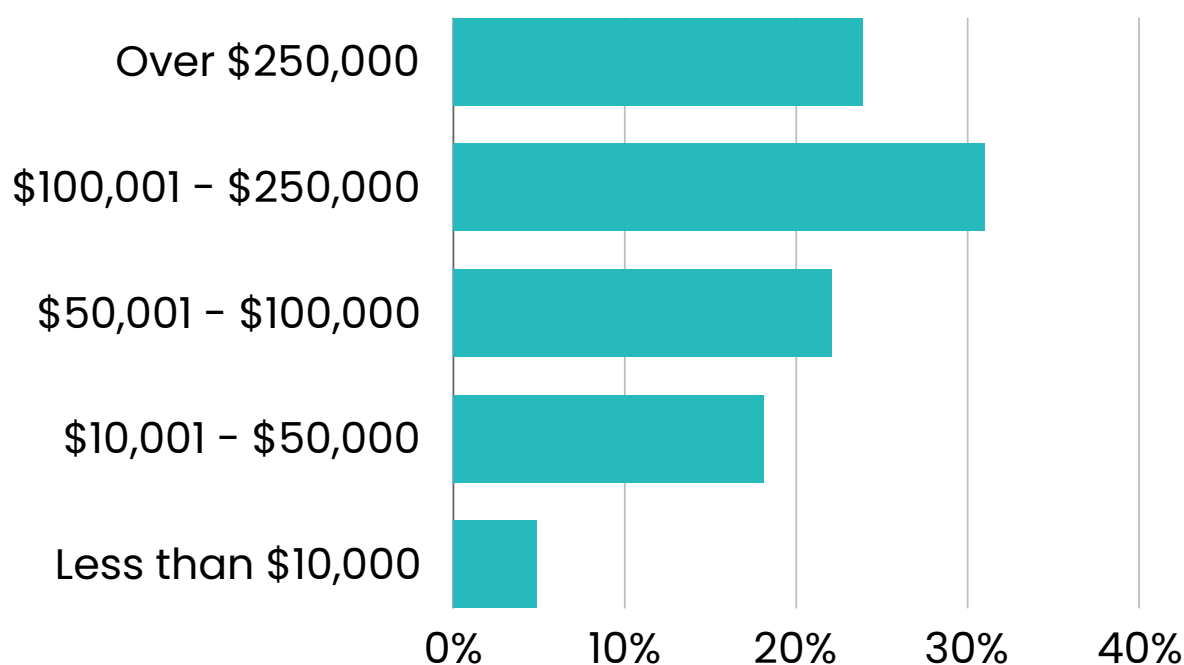
17. INDUSTRY-SPECIFIC CHALLENGES BUSINESS BUYERS ARE FACING



The top two challenges — unclear financials and high competition (both 38.9%) — highlight buyers' biggest frustrations: opaque numbers and a crowded market. Labor shortages (24.8%), industry regulations (22.1%), and operational complexity (22.1%) add further friction. "Other" responses (17.7%) surface more pain points: overpriced or declining businesses, slow-to-act sellers, tough SBA requirements, and key employee risks. Some buyers also face decision paralysis, trouble sourcing deals that fit, and broker fatigue. In short, the biggest barriers are finding quality deals with clean financials, outpacing the competition, and managing real-world operational risks.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

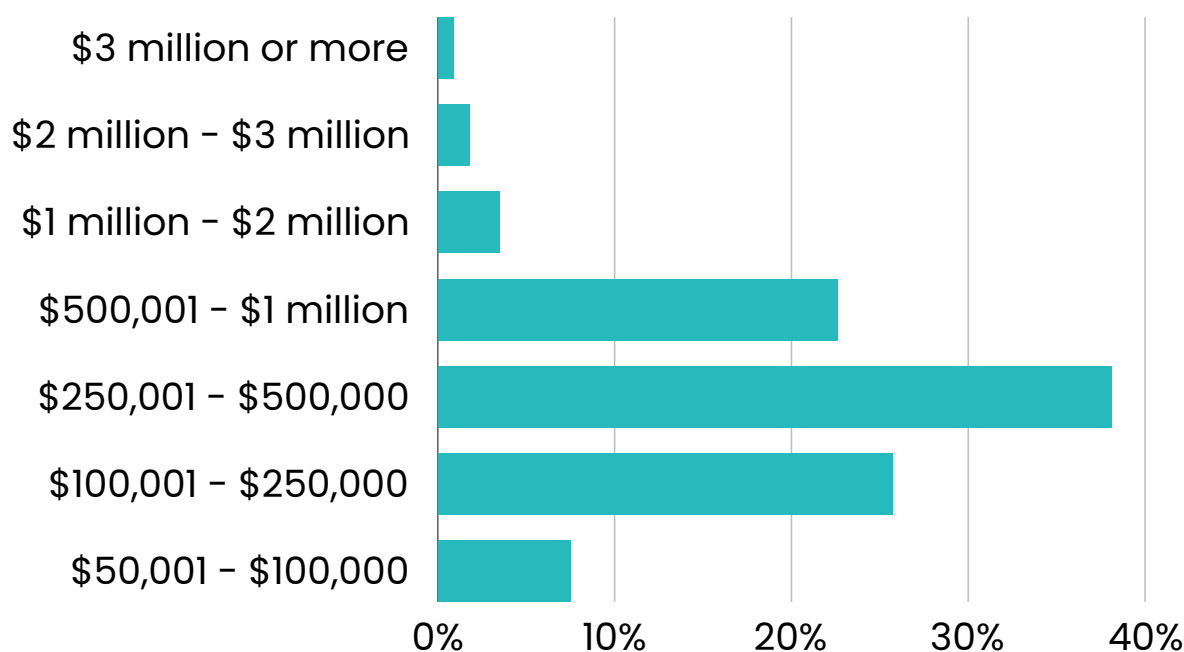
18. HOW MUCH LIQUID CASH OR CASH EQUIVALENTS DO BUSINESS BUYERS HAVE RESERVED?



Most respondents are well-capitalized for Main Street acquisition activity: 31% have \$100K–\$250K set aside, and 23.9% have over \$250K. Another 22.1% hold \$50K–\$100K, while 18.1% fall between \$10K–\$50K. 4.9% have less than \$10K. The data shows most buyers are financially prepared to handle upfront costs, like due diligence, legal fees, and deposits, and many are positioned to make strong down payments or structure competitive seller-financed and SBA-backed deals.

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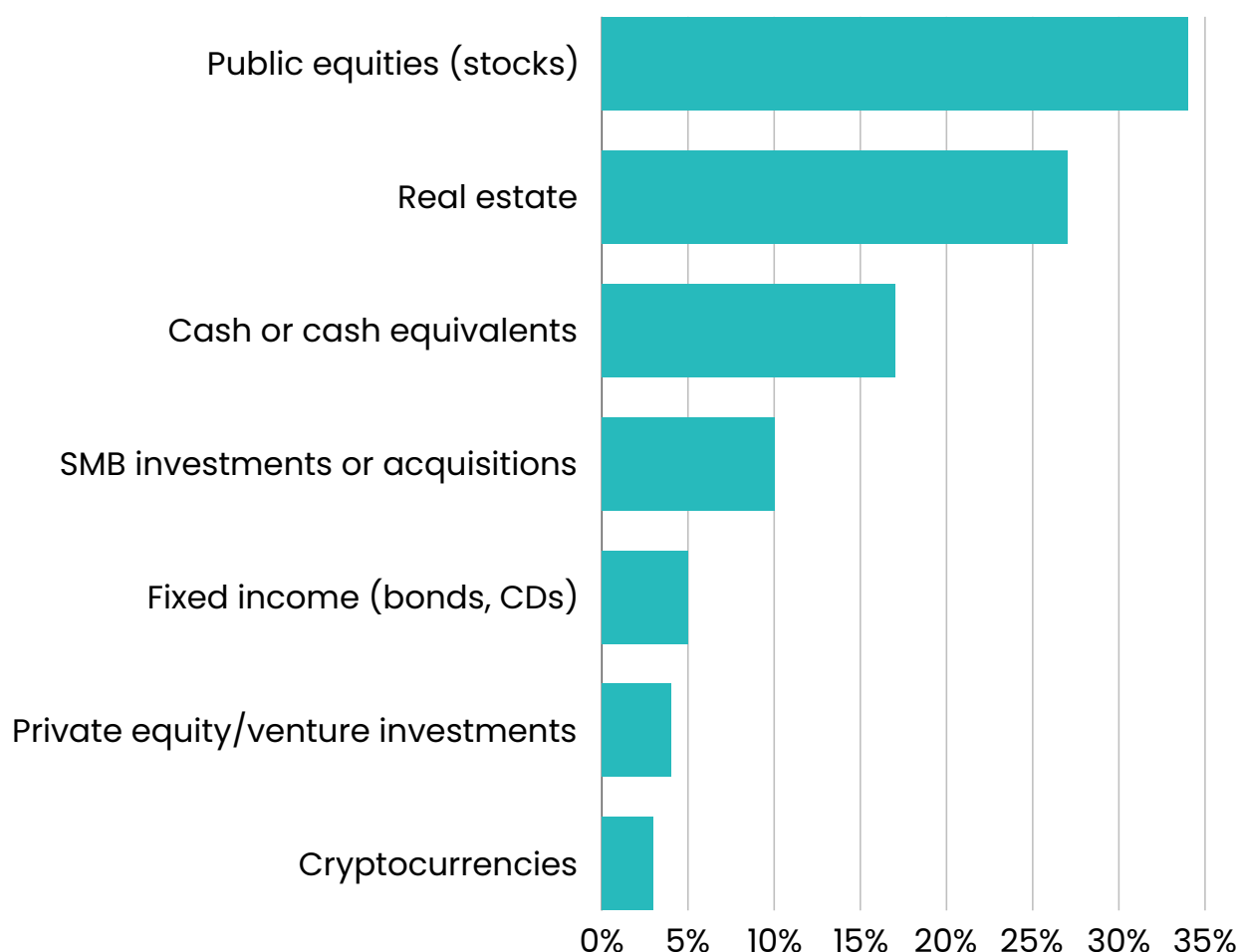
19. WHAT ANNUAL SELLER'S DISCRETIONARY EARNINGS (SDE) ARE BUSINESS BUYERS TARGETING?



Most buyers are targeting businesses with \$250K–\$500K in SDE (38.1%), making it the most popular range. Another 25.7% aim for \$100K–\$250K, and 22.6% are looking at \$500K–\$1M. Notably, no one is targeting businesses with less than \$50K in SDE — underscoring a focus on meaningful owner income and buffer room. Overall, buyers are aiming for meaningful cash flow with room to scale.

SOURCE: Q1 2025 SURVEY OF 230 CURRENT AND ASPIRING BUSINESS BUYERS IN THE CONTRARIAN COMMUNITY

20. TYPICAL PORTFOLIO ALLOCATION AMONG BUSINESS BUYERS



Business buyers in our community take a diversified approach: public equities (33.8%) and real estate (27.3%) lead portfolio allocations, followed by cash or equivalents (17.2%). Existing SMB investments average 9.7%, while fixed income (4.6%), private equity/venture (4.0%), and crypto (3.4%) hold smaller shares.



2025 CONTRARIAN THINKING COMMUNITY SPOTLIGHTS

INSIDE THE JOURNEYS OF THOSE BUILDING,
BUYING, AND BETTING ON MAIN STREET

OWNER SPOTLIGHT



ANNA PAVLACK

HOW A VETERAN-TURNED-ENTREPRENEUR FOUND
OPPORTUNITY IN SMALL-TOWN AMERICA

OWNER SPOTLIGHT

For Contrarian Community member Anna Pavlack, the road to ownership was anything but conventional. With a decade of experience in intelligence, first as a Marine Corps analyst, then as a civilian contractor, she developed a sharp ability to assess complex situations and make strategic decisions. But the longer she stayed in the field, the stronger her desire for independence became.

“This led me to explore real estate investing and eventually pursue an MBA at the University of Pittsburgh.” Interestingly, “The academic world fell short in teaching me about real entrepreneurship,” as Anna put it. The real lessons came outside the classroom. Running a small CrossFit gym and later serving as an executive at a tech startup taught her more than any textbook ever could, she told us. But even then, something felt incomplete.

“I knew there had to be a better way to approach entrepreneurship.”

Two years ago, Anna joined the Contrarian Community, immersing herself in the world of Main Street business acquisitions. A year’s worth of hard work later, she made her move, purchasing not one but two businesses: Davis Brothers Heating and Air Conditioning and The Wholesale of Indiana. “I didn’t just dip my toes in,

I dove headfirst into the deep end,” she says. With a combined purchase price of \$1.5 million, including real estate, the two businesses were generating \$3 million in revenue at the time of acquisition. According to Anna, the income generated from the deal was able to replace her salary and set the foundation for long-term growth.

Scaling a Business, Strengthening a Town

When we spoke with Anna, she told us her businesses had grown by 10% in the past year of ownership and employed over 20 people. But her vision extends far beyond her current numbers. “My goal is to grow Davis Brothers organically in the local market, potentially reaching \$10 million in annual revenue within the next 3 to 5 years,” she says.

At the same time, she’s actively searching for additional service businesses to acquire — specifically in underserved small towns, a market she’s come to appreciate deeply. “Moving to Indiana, Pennsylvania, has been one of the unexpected joys of this journey,” Anna explains. “This town embodies the small-town Americana that Codie Sanchez often speaks about. It’s a place where small businesses thrive and community support is palpable.” For Anna, entrepreneurship isn’t just about potential financial returns, it’s about preserving and strengthening the fabric of small-town economies. “My mission is to provide valuable services and create meaningful employment opportunities,” she says.

OWNER SPOTLIGHT



The Untapped Potential of Small-Town Business

Anna sees 2025 as a breakout year for entrepreneurs willing to look beyond big cities. **“The biggest opportunity I see in 2025 is the untapped potential of rural and small-town America,” she says.** She points to several key advantages in these markets. With fewer businesses competing for the same customers, it’s easier to build brand loyalty. Many essential services remain underrepresented, creating strong demand for reliable providers. Smaller towns often come with fewer regulatory hurdles, too, making it easier to scale. The bar for quality and service is often lower, meaning businesses that execute well can quickly stand out. And perhaps most important, owners have the chance to become pillars of their communities, earning long-term trust and support. Still, these advantages come with challenges. “The most

significant hurdle we face is attracting and retaining experienced talent in these small-town settings,” Anna told us. Skilled professionals tend to gravitate toward urban areas, making workforce development a persistent issue. To address this, she’s exploring several strategies. These include offering competitive packages that emphasize quality-of-life benefits, implementing remote work options where possible, developing training programs to up-skill local talent, and partnering with local schools and colleges to build talent pipelines.

“We’re not just building successful businesses — we’re revitalizing communities and creating a blueprint for sustainable rural economic growth,” she says. “This approach embodies the Contrarian spirit of finding opportunity where others might not look. I believe it’s the key to unlocking tremendous value in the coming years.”

OWNER SPOTLIGHT

ALEX RAMON

HOW A MAGICIAN USED HIS
UNCONVENTIONAL SKILL SET TO BUY
AND SCALE A SMALL BUSINESS



OWNER SPOTLIGHT

For over 25 years, Alex Ramon has built a career as a magician. With a residency in Lake Tahoe performing five nights a week, he's spent his life mastering entertainment. But over time, while his craft generated income, he began to realize something was missing: cash flow independence. "I had some investments — real estate, stocks, mutual funds, even crypto. But while all of those can build my net worth. They don't necessarily put cash in my pocket," Ramon explains. That's when he discovered the idea of buying a small business as a strategy first clicked. Unlike other asset classes, small business ownership could help fund his lifestyle while continuing to build long-term wealth.

"So I joined the Contrarian Community, and I was surrounded by like-minded people. Everyone had their own approach — some were looking to be owner-operators, others like me wanted to be owner-investors," he says. **"Being part of the Contrarian Community gave me the tools, the education, and the lessons to create my deal box and acquire a business."**

The Search for the Right Business

At first, Ramon wasn't sure what type of business to buy. He had no experience in the service industries that often dominate small business acquisitions. Then, Codie gave him a simple but game-changing piece of advice: "Look at your bank statements. See what you're spending the most money on, and maybe acquire something in that space to reduce your costs." For Ramon, that answer was clear. After his shows, he sold branded merchandise — shirts, hats, beanies,



tote bags — souvenirs for his audience. Every year, he spent a significant amount of money stocking up on inventory.

That led him to Innovative Imprints, a custom branding and merchandise company just 35 minutes from his home in Lake Tahoe. The business checked all his critical boxes. "The owner had been running it for 23 years, was in his 70s, and was ready to retire. The employees had been there for over a decade. It was a perfect fit," he recalls.

But getting the deal done wasn't easy. "It took 18 months to close. At one point, the seller signed a purchase agreement with another buyer, and I lost the deal," he told us. "Then a few months later, I get a call from the broker saying, 'Hey, do you want to put in another offer?' I didn't even know it was back on the table." Despite the setbacks, Ramon stayed patient, finalized the acquisition, and became the new owner of Innovative Imprints in 2023.

OWNER SPOTLIGHT

Alex's Journey Scaling and Expanding the Business

Innovative Imprints now offers screen printing, embroidery, branded products, and e-commerce fulfillment for clients ranging from small businesses to influencers. At the time of this conversation, the company employed 13 full-time W-2 staff and four contractors, including a general manager who's been with the business for over 20 years. Ramon proudly brings a new angle to the operation, using his entertainment background to expand. "We're reaching out to influencers with hundreds of thousands, even millions of followers, to handle merch drops and fulfillment," he explains. "That's something the company didn't do before I bought it." His reach now includes the Contrarian Community, too. "We do all of Codie's merch now — Contrarian Thinking conference gear, Main Street Millionaire bandanas, book swag packs, and more," he says. "It's pretty cool to not only learn from the community but to have them support the business I bought because of them."

For now, Ramon is cautiously optimistic about 2025. "Holistically, I think 2025 is going to be a challenging year," he says. "I have optimism, but I'm also a pragmatist. I think we're going to start seeing the results of the past couple of years economically, and I want to be prepared for that." He's delaying major purchases, including a new machine. "There's a machine we want to buy — it would be great for the business. But I'm going to be more conservative before making that purchase," he explains. "These machines are expensive, well into the five figures. Before we do, I want to make sure the company is healthy and can sustain any drops in business." Despite



uncertainty, Ramon is playing the long game. "There will be challenges, no doubt. But business comes in waves. Sometimes you ride a high wave to the shore, sometimes you paddle out and wait. The key is making sure you're positioned to catch the next wave when it comes."

HOUSTON JOHNSON

FROM “I’LL NEVER OWN A BUSINESS”
TO RAPIDLY SCALING A BUSINESS OF
HIS OWN

OWNER SPOTLIGHT

Houston's first exposure to business ownership came when he was just 11 years old. He watched his parents mortgage everything to buy a trucking company through a handshake deal, a classic "good ol' boy" acquisition in small-town Oklahoma, as he put it.

"By our terms at the time, they were very successful, but worked extremely hard and were constantly stressed," Houston recalls. "So I was sure I would never own my own business." That belief stuck with him for years — until working for someone else long enough made him rethink what he really wanted. "After working for the man for several years, I knew it wasn't for me and decided to chase the life I wanted," he said.

That search led him to the Contrarian Community in June 2023, where he gained the resources, confidence, and peer support to turn interest into action. **"The community was huge since I was able to bounce thoughts, questions, and concerns during due diligence and closing."**

In February 2024, Houston acquired Ten Key Remodels, a design-build firm specializing in kitchen, bathroom, whole-home, and attic conversions. At the time of purchase, the company was generating \$2.2 million in topline revenue. Less than a year later, Houston told us the business was on track to hit around \$4.3 million. Growth has also meant expansion. The team has grown from 7 employees to 14, and the company has poured capital into its cabinet shop just to keep up with demand. But this hasn't



OWNER SPOTLIGHT

come without its challenges. “That growth has come from so many lessons and has been very expensive, but I’m ecstatic and proud of where we’re at today,” Houston says.

Houston’s Goal: Changing the Reputation of an Industry

Remodeling and construction often suffer from a lack of customer trust, and Houston knows it firsthand. “No one trusts construction companies — we’re like used car salesmen,” he says. “We are flipping that on its head and protecting the peace of mind of our clients during the design-build process.” At Ten Key Remodels, that means setting clear expectations around timing and budget, hiring great people, and living by core values. With so many moving parts, such as timelines, subcontractors, materials, and shifting

budgets, transparency is essential. The mission is not just about completing projects but about earning trust.

Looking ahead, Houston sees both opportunity and challenge in 2025. “I feel that we are in the right place at the right time,” he says. **“There is a lot of opportunity out there, and for the most part, it’s only growing. Find your lane and put the pedal to the metal.”**

At the same time, economic uncertainty is top of mind. “Not a political statement. I’m just not sure what’s going to happen this next year and the following,” he says. “So contingency planning is becoming important.” Internally, he is focused on improving execution. “We are behind schedule now, and our customers can feel that,” Houston explains. “Once I can get that cadence dialed in, we will be dangerous.”





BLUE COLLAR BOOM

WHAT WE'RE LEARNING FROM THE PEOPLE WHO
KEEP AMERICA RUNNING

A \$1.5 Trillion Industry at an Inflection Point

For decades, the trades have quietly powered our economy, keeping homes standing, toilets flushing, and power running. And yet, they've been underestimated, overlooked, and seriously underserved. That's changing, fast. According to ServiceTitan, in the U.S. and Canada alone, consumers and businesses spend \$1.5 trillion annually on trade services — more than e-commerce (\$1.1T), transportation and

warehousing (\$1.0 trillion), and even food and hospitality (\$900 billion). This isn't luxury spending. Over 75% of the 666 million home service jobs completed in 2022 were urgent, preventative, or completely unavoidable. Yet, for years, the trades have lagged behind in technology, branding, and scalable business models, remaining fragmented and reliant on outdated processes. That's no longer the case. A new era of modernization is underway, and the businesses that embrace it will own the future of these industries.



ResiBrands: Scaling the Trades for the Next Generation

Few people dream of running a painting or window cleaning business. But maybe they should. For decades, home service businesses have been the quiet backbone of the economy. Always in demand, rarely in the spotlight. But what was once a fragmented, outdated sector is being transformed into a modern, scalable business opportunity for many. One that blends professional operations with local, community-driven service. In fact, the trades are not just evolving today, they are being redefined.

The next decade of service industries will belong to companies that embrace technology, build recognizable brands, and professionalize their

operations. Our portfolio company, ResiBrands, is leading that charge. As the powerhouse franchisor behind That One Painter, Pink's Window Services, Garage Up, Action Exteriors, and Monty's Handyman Services, it is proving that the trades can be more than a reliable way to make a living. They are a brand-driven path to real ownership, long-term wealth-building, and businesses that matter deeply to the communities they serve.

At the helm is CEO Steven Montgomery, who is not just adapting to these changes, but spearheading them. The way he sees it, the trades have always been essential. Now, though, they're becoming aspirational.

BLUE COLLAR BOOM

A Boost for Home Services

For home services, Steven told us, the past few years have been a mix of highs and lows. Post-pandemic demand stayed strong, but a slowdown in real estate transactions created headwinds. With fewer people moving, fewer homes needed pre-sale improvements like window cleaning, painting, flooring updates, and general repairs.

Montgomery believes that is shifting in 2025. “I’m predicting that this year we’re going to see more homes selling again. We’re going to see more house flipping again,” he said. “If we see a rise in home sales, that’ll be really good for home services broadly.”



Labor Challenges in 2025

One of the biggest questions in home services isn’t demand, though. It’s about who will do the work. The skilled labor shortage is a well-known challenge, and as older tradespeople retire, many businesses are struggling to replace them. “We need more young people in trades,” Montgomery told us. “Otherwise, there’s going to be an even worse shortage than there is now.”

That said, not every business will be hit equally, he thinks. “The best businesses don’t typically have to worry about that,” Montgomery said. “If we’re treating our employees well, treating our subcontractors well, and treating our customers well, the labor shortage affects the bottom performers, not so much the top performers.”



The Trades Are Becoming Aspirational Again

Perceptions of trade work are starting to shift, and job security is a big reason why. As automation and AI begin replacing traditional white-collar roles, more young people are rethinking the long-term value of skilled trades. “I think that people are really starting to realize how AI is cutting down some of the desk jobs,” Montgomery said. That shift in mindset is opening the door, but it’s financial opportunity that gets people to walk through it. Montgomery pointed to his own experience as a clear example. “Back in the day when I was painting houses, I had a lot of friends working at a coffee shop, busing tables at cool restaurants. But they weren’t making any money,” he said. “I was making a killing painting houses by myself.” For younger workers looking

beyond corporate jobs, that kind of upside is hard to ignore. But attracting the next generation takes more than good pay — Montgomery believes branding and culture are just as important. “You have to create an environment people want to be a part of,” he said. “It’s everything from the logo to the uniform to the vision. There’s an opportunity everywhere for people to take an industry that’s been boring, that’s been unexciting, and just breathe a little life and a little creativity into it.” And it works. “When we did Action Exteriors’ logo,” Steven said, “the founder showed it to a lot of people. Everybody over 30 was like, ‘Yeah, it’s a cool logo, it’s fine.’ Everybody under 30 was like, ‘This is *amazing*.’ That’s who we’re building for — the next generation.”



BLUE COLLAR BOOM

Making Blue-Collar Trades Cool Enough For Netflix

In Netflix's *Hit Man*, Glen Powell's character wears many disguises, but one stands out — a Pink's Window Services uniform. It's a nod to a ResiBrands company that refuses to blend in. Most people *never* think about window cleaning. Brandon Downer and Carter Smith set out to change that. "Nobody ever talks about it. It's just, like, out of sight, out of mind," Downer told us. "Our strategy was, what if we create engaging content to get people who have never thought about window cleaning before to start thinking about window cleaning? That positions us to be the company where, if somehow you do think about window cleaning, you *only* think about Pink's."

Launched in 2020 after Downer and Smith were laid off, Pink's tapped into the pandemic-driven home services boom. But what set them apart wasn't just demand — it was how they made people notice them. "Every other service company is posting before-and-after pictures," Downer said. "A picture of one of their guys cleaning a window. And nobody really cares about that, truly." So Pink's leaned into brand — trustworthy, nostalgic, and fun. "I think we, as window cleaners, can have a fun and silly vibe because the stakes are low," he said. "Your house isn't flooding, your roof isn't caving in. We're afforded the opportunity to be fun and silly."



BLUE COLLAR BOOM

Leading a Broader Cultural Shift in 2025

With brands like Pink's, Monty's, Action Exteriors, and more, ResiBrands is helping make the trades feel modern, valuable, and full of potential again. "10 or 15 years ago, it became really cool to work at a coffee shop," Downer told us. "I think we're starting to see that in the trades. Like, 'I'm working with my hands. I'm working outside.' I hope and believe that Pink's is helping drive that narrative shift."

That starts by reframing this work broadly. "Without the trades, our cities would not work," Downer said. "Without the trash guy, your street would be so messy. Without the window cleaner, your building would look gross. Without the plumber, it'd probably smell bad." For ResiBrands, the trades aren't a fallback — they're a path to ownership and financial freedom across the country. The message resonates with people looking for more than a desk job, Downer believes. "I think people crave to be with people. Folks who have worked in an office their whole life, they kind of crave this sense of, 'I want to know every restaurant owner in town. I want to know every HOA president, the homeowner of this house, and that house.'"

ResiBrands is looking to channel that drive for connection and pride. "You can be part of your community. You can have this business that helps people and keeps your city clean," Downer said. "We're trying to make this something people are proud to do. You put on the uniform, you get the Instagram handle, the website looks



BLUE COLLAR BOOM

good, the system's good." That pride drives business performance, too. "I think it empowers guys to be well-equipped to succeed and be what we call 'the Mayor of Window Cleaning in your city.'" That's because home services are

rooted in our local economies. They create jobs, build trust, and keep dollars in the community. As CEO Steven Montgomery put it, "We're offering good service, we're creating jobs, we're inspiring people to build."



MAIN STREET TECHNOLOGY

WHAT TO WATCH IN 2025 | INSIGHTS FROM CONTRARIAN
THINKING CAPITAL'S TEAM AND PORTFOLIO



 Pave
Robotics

A conversation with General Partner Chris Petkas, and founder spotlights on Cents, Drillbit, Percent, and Hauler Hero — some of the startups we're backing to power the future of Main Street.



Contrarian Thinking Capital's Chris Petkas on the Future of Main Street Tech

Small business technology in 2025 is both more competitive and more promising than ever. **"The economic climate has pushed startups to be both more capital-efficient and focused on delivering real value for customers, which is a big positive in my book,"** says Chris Petkas, General Partner at our venture firm Contrarian Thinking Capital. "Yes, inflation and higher interest rates have tightened capital markets, but this is weeding out weaker ideas and forcing startups to demonstrate real value. The ones that succeed in this environment are emerging stronger and more attractive to investors and customers." The era of venture-backed startups chasing growth



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at all costs is fading, he says. Today's winners are solving real problems for real businesses. "They are built to last, not just to raise."

Petkas is Eyeing a Unique Shift Among The Tech Talent Pool

With layoffs now more common in big tech, a shifting economic backdrop, and AI redefining traditional roles, segments of top-tier engineers, operators, and product leaders are increasingly looking toward Main Street as their next frontier, he says. "There are now more compelling reasons for skilled tech professionals to join or even start these ventures. In an SMB-focused startup, your work

directly impacts the bottom line. But more than being a key player shaping the company's future, you're shaping those of small businesses." Petkas believes this shift has the downstream potential to reshape the startup landscape and even the economy at large. As more talent moves into these verticals, he thinks, the tools available to Main Street businesses will become more capable, more powerful, and more scalable than ever before.

AI is leading the way here, rapidly transforming how small businesses operate and bringing enterprise-level capabilities to Main Street. "The AI revolution is opening new frontiers for SMBs to compete on a global scale," says Petkas.



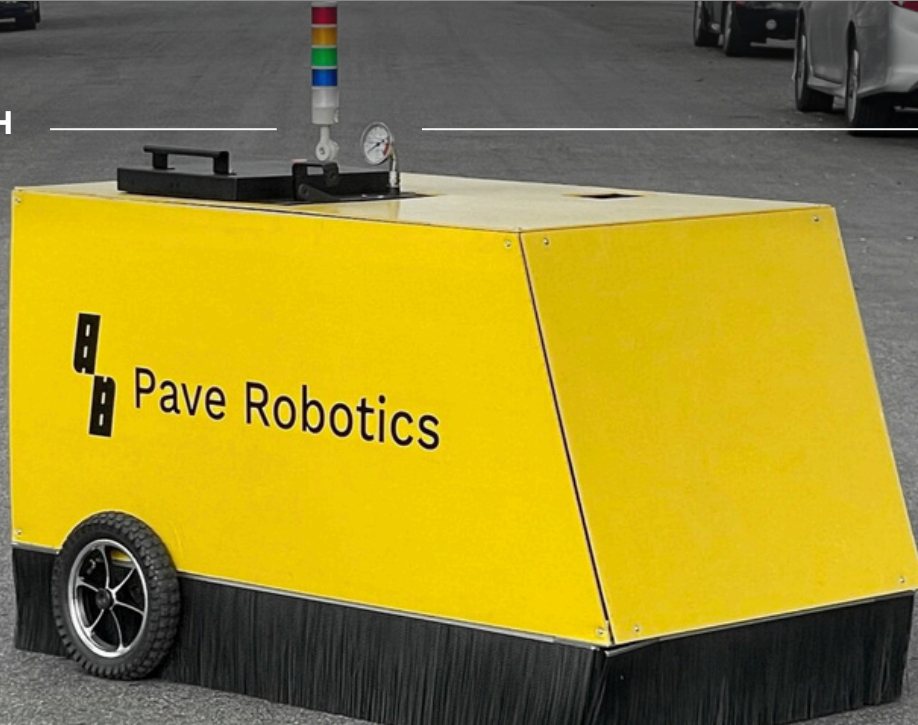


“There will be a greater focus on customization to meet customer needs, and AI is the first step in enabling SMBs to do this for the first time at scale,” he adds. For many owners, AI isn’t replacing jobs, he says, it’s addressing inefficiencies. **“I think that Contrarian Thinking Capital portfolio companies like Drillbit will replace 80% to 90% of the boring administrative work that blue-collar guys don’t want to do,”** ResiBrands CEO Steven Montgomery recently told us. Early agentic AI tools, systems that can autonomously execute increasingly complex tasks, are going to drastically level the playing field, giving small businesses the ability to operate with the speed and efficiency of much larger companies. “This is the most dramatic game-changer in decades for SMBs looking to punch above their weight,” Petkas explains. At the same time, the shift toward AI brings new risks. For instance, cybersecurity is increasingly a top concern for small businesses. But Petkas sees this as a chance for innovation — “It’s creating opportunities for startups to differentiate themselves with robust, innovative solutions for Main Street and not just the Fortune 500.”

Backing Main Street Builders

“This tech will not only empower individual small businesses but also strengthen the overall economic fabric of America,” Petkas explains. “By enabling SMBs to operate more efficiently, compete more effectively, and scale more rapidly, we’re hoping to foster a more dynamic, resilient economy.”

That thesis is only part of the equation at Contrarian Thinking Capital. Here, investing in Main Street tech isn’t just about writing checks. “We’re bringing a refreshing perspective to this landscape,” says Petkas. Contrarian Thinking Capital’s emphasis on leveraging an education, media, and community-driven flywheel, is helping our portfolio companies connect with customers in ways most investors simply can’t. “It’s fostering a supportive ecosystem where knowledge and networks meaningfully amplify our capital,” as Petkas puts it.



Here's how that works in practice: Our media drives deal flow and helps pull Main Street into the broader tech conversation. Our education programs equip new SMB owners and operators with the skills and tools to grow businesses. Our capital supports startups solving real problems for these builders and millions of others. Finally, our Community delivers portfolio companies productive insights and, uniquely, direct access to end-users. **"The founders and company leaders we invest in have a point of connection that's difficult to replicate: direct access to the customer," Petkas says.** "B2B or B2C, the media-education-investment trifecta has provided a continuous feedback loop for our portfolio companies to understand how to meet their customers where they are." With that in mind, let's now take a look at some of the portfolio companies leading this transformation and redefining Main Street in 2025 and beyond.





Drillbit: Powering Home Service Business Growth with AI

For decades, home service businesses like contractors, handymen, and skilled tradespeople have kept America's homes running. But over that time, the way they run their businesses has not categorically improved. From answering calls and managing schedules to writing estimates and chasing payments, too much time is lost to admin work instead of doing the job. That is the problem Drillbit set out to solve. Co-founded by Alexander Seutin, a Stanford grad with experience at SpaceX, Apple, Rivian, and Built Robotics, Drillbit is automating back-office

tasks for home service businesses. "I spent several years doing renovations on my own first, which made the issues and opportunities very clear," says Seutin. "There was also a series of insights I gained through actually building the solution." Today, he is bringing enterprise-grade automation to small businesses in the trades. Across the U.S., millions of SMB owners operate without office staff, losing hours each week to answering calls, writing estimates, chasing payments, and coordinating schedules. CRM and scheduling tools offer partial solutions but rely heavily on manual

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input. That leads to high churn and business owners who feel like they are managing software instead of managing their business. “We give owners back an enormous amount of time,” says Seutin. “Rather than focusing on office work, they can be in the field or developing relationships with clients.”

Drillbit doesn’t just organize workflows, it eliminates them. The platform acts as an always-on, AI-powered assistant. It automatically answers missed calls, qualifies leads, and logs them into the CRM. When a customer describes a job, AI instantly turns it into a detailed, line-item estimate. It manages scheduling and sends updates to clients without owner involvement. Once the job is done, the system requests payments and follows up on overdue invoices. It even identifies repeat

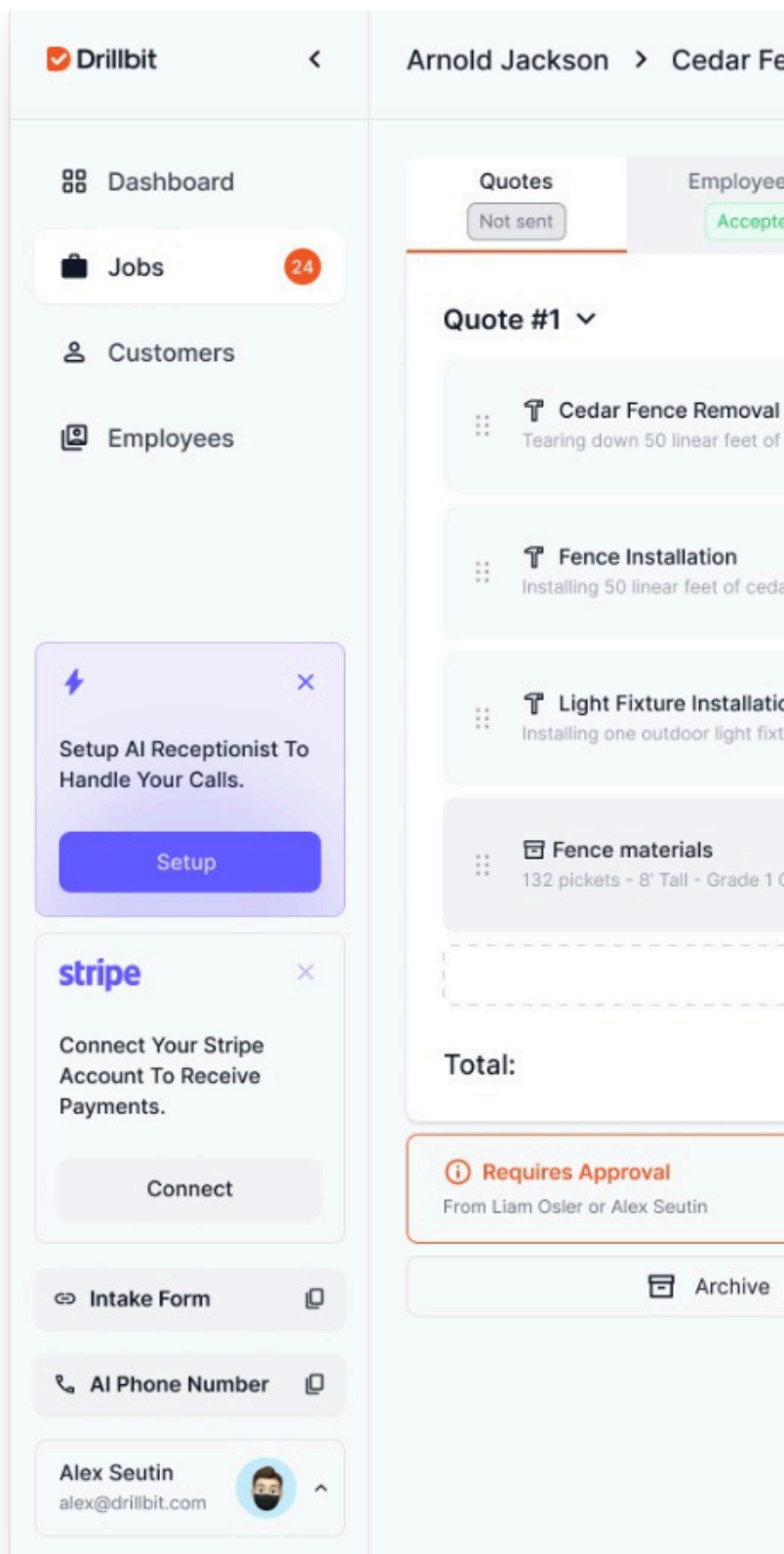
customers and proactively reaches out to book new jobs.

The impact is already clear. Some of Drillbit’s early users, Seutin says, have seen profit per job improve significantly. He now sees AI continuing to dramatically transform the trades over the next five years. “Small businesses will operate with the resources and efficiency of big companies,” he says. “They will have the ability to scale significantly faster by leveraging AI employees. They won’t need to hire, onboard, or train new desk workers to unlock growth. The emphasis will switch back over to the *quality* of the underlying services they are providing.” This shift will do more than increase profitability, he thinks. It will raise wages for skilled labor and deliver better service at lower costs for homeowners. “More will get done.”



Case Study: How ResiBrands is Using Drillbit to Scale Faster and More Profitably

In mid-2024, our portfolio franchise group, ResiBrands, faced operational bottlenecks that slowed growth. Lead response times lagged, staffing was tight, and backend processes were fragmented. That August, the company partnered with Drillbit to augment its call center and admin functions with AI. Within a few months, Drillbit's systems were working the equivalent of 25 human roles, helping drive an estimated \$840,000 in annual cost savings and triple the historical lead conversion rate. For ResiBrands, Drillbit was working like a fully scalable back-office team, removing staffing limits that slowed franchise growth. Every location could now handle more demand without added overhead. Lead response time dropped from over 30 minutes to 15 seconds, AI follow-ups ensured no lead is missed, and real-time CRM updates reduced errors across the network. This integration is now fueling faster expansion plans at ResiBrands. ResiBrands locations can serve more customers with fewer resources, boosting revenue while cutting costs. The stronger performance makes the brand more appealing to franchisees, accelerating growth further. With AI handling operations, franchisees can focus more on delivering great service while scaling faster than ever. In all, this has made one thing clear: as Drillbit continues to improve, the gap between AI-powered franchises and traditional operators will grow. ResiBrands has found its new growth engine — and it runs on AI.





Percent

Percent: Making Private Credit Investing Far More Accessible

Private credit is a meaningful lifeline for small and mid-sized businesses, but the market has always been fragmented, inefficient, and difficult to access. Percent was built to change that. The idea materialized when CEO Nelson Chu noticed how outdated systems slowed down financing, forcing businesses to navigate a manual, opaque process with limited solutions. “When we first got started,” Chu recalls, “we underwrote all the deals ourselves to better understand how private credit transactions work, knowing full well it would be a manual process.” He adds, “What we didn’t realize was just how little there was in the way of technology. We were creating our own compliance attestation tools, our own order book management tools, our own data monitoring tools, and more. There were simply no technology solutions available.”

Since inception, Percent has processed over \$1.4 billion in transactions, helping small businesses finance inventory, buy equipment, and expand operations. Its reach now extends beyond the U.S., supporting businesses across Latin America as well.

Supporting SMBs Through Crisis

Percent’s value became especially clear during COVID-19, when small businesses faced shutdowns and traditional funding disappeared. “COVID was probably the most challenging time for small businesses, as that was a world that was unimaginable for any SMB owner,” says Chu. “Full lockdowns, no revenue, and no certainty around whether any sort of government bailout would be

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possible. In that time, we still continued to work with our borrowers, offering them the ability to refinance their existing loans and push out maturities as needed to ensure they could get past this critical time.” Despite the chaos, Percent’s borrowers saw minimal defaults. Flexible refinancing and proactive risk management helped many survive and rebuild.

The Future of SMB Financing

Percent has already modernized private credit tooling. Now, automation is the focus. “The advancements Percent has been able to make for the industry have largely been operational — we’ve made things significantly easier, more efficient, and more transparent,” Chu explains. “The next phase will be algorithmic with AI, as we will be able to underwrite and assess credit quality faster, deliver more targeted recommendations to investors, and monitor risk before it gets too late.”

Percent is already integrating AI to improve deal execution, investor targeting, and risk monitoring. The goal is to make private credit faster, more predictable, and data-driven. In 2024, the platform onboarded over 100 new borrowers, 20 underwriters, and 45,000 investors, marking 16 consecutive months of net AUM growth. With the private credit market nearing \$2 trillion, Percent is scaling its marketplace and enhancing its risk tools to meet demand. For SMBs, this means faster, smarter access to capital. For investors, it offers entry into a high-growth asset class powered by institutional-grade tech. As private credit evolves, Percent is ensuring small businesses are a core part of the future.

Private credit. Simplified.

Easily find, compare, and invest in **private credit** deals on Percent's premiere marketplace of deals. Explore shorter-duration investments that offer potential for high yields, designed to diversify and potentially stabilize your portfolio against inflation and instability.

Since 2018, thousands of accredited investors have trusted Percent's platform as their source for private credit investing.

\$500 Minimum Investment

10.02 months Average Term

Close Date: In 3 Days 96% Funded

18.13% Current Weighted Avg Coupon Rate

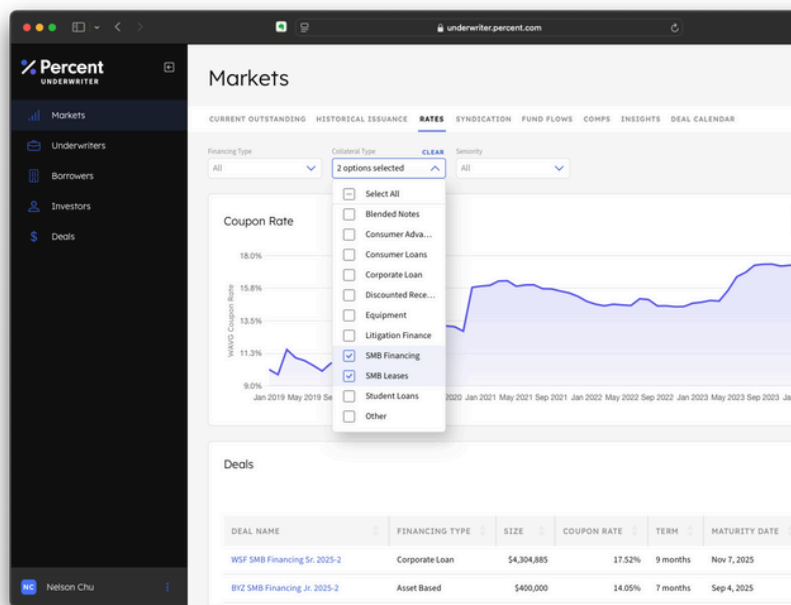
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\$1.41B

Percent Transaction Volume as of March 31, 2025





Cents: The Operating System for Modern Laundromat Businesses

Laundromats have long been seen as low-tech, cash-heavy, and unchanging. But Cents CEO Alexander Jekowsky saw a different reality: an industry full of sophisticated operators and untapped potential. “If you open a coffee shop, you tend to love coffee. You open a gym, you tend to love physical fitness. You open a hair salon, you tend to like cutting hair. But if you get into garment care, you generally are not in that business because you have a passion for the vertical. It’s purely a business action that you’re making,” Jekowsky explains. That mindset sparked Cents, a platform built to modernize laundromat operations and help

owners run multiple locations, improve margins, and scale without extra overhead.

A Market Ripe for Disruption

Jekowsky’s early exposure came at a Coin Laundry Association event, where he met operators who didn’t match their stereotypes. These weren’t hobbyists or cash-business holdouts. They were growth-focused investors running multi-store operations. “I started to realize everybody here is like me. They care about margins. They’re trying to be multi-store owners,” Jekowsky recalls. “Nobody here loved

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laundry. Nobody here was trying to hide money from the government in a cash business. Everybody here was a small business owner looking to grow their business.”

With an estimated 30,000–35,000 laundromats in the U.S., the market was larger than Jekowsky expected. As of December 2024, Cents had captured almost 3,300 locations, reaching about 10 percent market share in just four years.

As Jekowsky told us, selling software to SMBs is, in part, less about features and more about credibility. Early on, many laundromat owners were hesitant to use his product. They saw value in the technology but viewed venture-backed startups as risky to work with. “This is how they pay their mortgage. This is how they exist. This is their cash flow. When you’re their general ledger, you don’t have that kind of ability to move quickly and break things,” Jekowsky says. His team had to prove they were building a lasting company, not chasing fast growth. “We definitely struggled in the beginning to convey the kind of business that we were and to build that trust,” he admits. By delivering best-in-class software and focusing on long-term relationships, Cents steadily won over laundromat owners looking for a better way to grow.

2025: Expanding from Breadth to Depth

Cents has quickly scaled its customer base, but its biggest opportunity in 2025 is increasing depth, not just reach. “If I didn’t sign a single customer ever again, I could still, with the product line that we have today, with what we’re ramping, double my business year over year,” Jekowsky



predicts. That’s because most laundromat owners on the platform use only a fraction of its tools. The focus now is on helping operators unlock more value across labor management, financial insights, marketing automation, and beyond. One example is Cents Assist, a business phone system Cents purpose-built for laundromats. Every business needs a phone, but not every owner wants to answer it. Cents Assist uses AI, call routing, and automation to handle customer inquiries without adding labor costs. As the company grows, the challenge now is staying focused. There are opportunities in franchising, private equity partnerships, and automation, but Jekowsky is cautious. “We don’t want to get too distracted with the shiny objects around us,” he explains. “We want to make sure we’re taking calculated risks and bets to prioritize the things that are going to be the most accretive to our customers.” While full automation may be unrealistic, AI-powered customer service, remote staffing models, and smart security will help operators run leaner, and Jekowsky sees the laundromat industry on the edge of a major shift. “Any business that’s operating today is underperforming from what it could be,” he says.



Hauler Hero: The End of Outdated Waste & Recycling Software

The waste and recycling industry is massive in North America, but many haulers still rely on outdated, server-based software. These legacy systems force operators to juggle pen, paper, and multiple disconnected platforms just to manage routing, invoicing, and customer relationships. The result is inefficiency that drains both time and money. Hauler Hero is stepping in with a modern operating system built for haulers who have been left behind.

For founder Mark Hoadley, the opportunity became clear after his time at ServiceTitan, where he helped scale one of the biggest names in home services software. When he turned his focus to waste hauling, the gap in quality was obvious. “The most shocking thing to me was that there was no

genuine alternative,” says Hoadley. “Existing software looked like Oregon Trail, with an experience akin to Michael Douglas talking on a cell phone in the first *Wall Street* movie — completely outdated.”

Hoadley knew Hauler Hero had to be more than just another tool. It had to become the system of record for haulers, capable of managing recurring and non-recurring routing and invoicing all in one platform.

“To have all of this in one package, that’s easy to use, that’s in the cloud, is very, very difficult to do,” he explains. But his team built Hauler Hero to do exactly that, so haulers no longer have to manage operations across multiple disconnected systems.

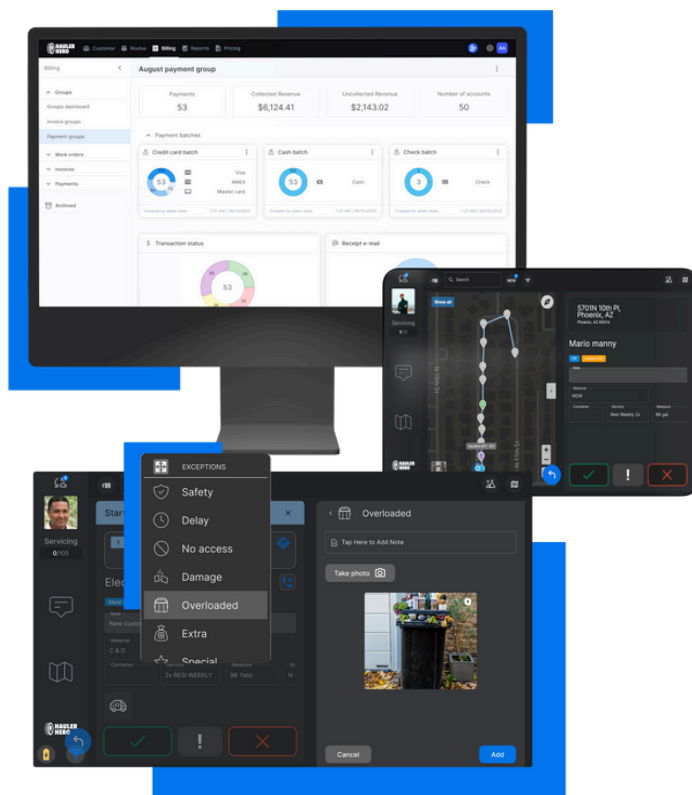
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Most haulers work across three major service types: roll-off for industrial jobs, commercial recurring pickups for customers like businesses and schools, and residential curbside collection. Traditional software tools have treated these verticals as separate, forcing operators to use different systems that don't sync. Hauler Hero connects them all, keeping routing and invoicing linked in real time and eliminating duplicate work. "Our feature set is extremely robust," Hoadley says. "If I set you up for a weekly service, I shouldn't have to set up your billing separately." With Hauler Hero, that data is tied together from day one.

Hoadley sees the waste and recycling sector as one of the last large markets still untouched by modern software. He compares it to ServiceTitan's core verticals — HVAC, plumbing, and electrical — each valued around \$100 billion. But waste and recycling, he believes, have a unique edge. "I think internationalizing will be easier," he says. Unlike HVAC and plumbing, which are governed by regional regulations, waste hauling follows more consistent operational models globally.

What's Next for Hauler Hero?

Hauler Hero's impact is already visible in the companies using it today. Greenleaf Recycling, for example, previously had to manually enter customer data into three separate systems — one for routing, one for billing, and one for roll-off services. "That's a lot of cognitive load to even just know which software to use at any given point in time. The data is incoherent where it needs to be coherent," Hoadley told us. Hauler Hero replaced all three systems, streamlining operations and eliminating redundant work.



Looking ahead, Hoadley sees three major growth areas for the company. First is international expansion. Because waste management processes are similar around the world, he believes Hauler Hero is well-positioned to scale globally. Second is the move into adjacent markets. Sectors like street sweeping, snow plowing, aggregate dumping, and towing share similar routing and billing needs and could benefit from the same software infrastructure. Third is the integration of AI-powered optimization to further enhance routing, reduce costs, and improve margins across all customer segments. With strong traction and a growing customer base, Hoadley and his team are building the future of waste and recycling tech — and according to him, they're just getting started.

A woman with long brown hair, wearing a grey and white patterned blazer, is shaking hands with a man with curly brown hair, wearing a light green short-sleeved button-down shirt. They are both smiling. In the background, a large banner with the words 'CONTRARIAN THINKING' and a blue star logo is visible.

RESOURCES FOR MAIN STREET BUILDERS

Thank you to the operators, owners, and experts who contributed their time, data, and perspectives to this report. This work is a testament to your dedication and belief in Main Street.

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RESIBRANDS



THAT 1 PAINTER

That 1 Painter, ResiBrands' first franchise, has grown from an individual business into the fastest-growing painting franchise in the U.S. With over 450 territories, it's setting the bar for how trades brands scale nationally.



Action Exteriors is ResiBrands' roofing and siding franchise, blending vintage-inspired branding with modern systems to help owners scale with pride and craftsmanship.



Garage Up is ResiBrands' garage renovation franchise, offering services for doors, epoxy floors, storage, and more — all backed by coaching, vendor deals, and a proven playbook.



Pink's is ResiBrands' exterior cleaning franchise, offering everything from window and gutter cleaning to power washing and solar panel cleaning — all wrapped in a signature vintage look.



Monty's is ResiBrands' handyman franchise, covering everything from drywall and decks to smart home installs — with national support and serious scale potential.