

# Value Of A Handshake Can Exceed Cost Of Abstruse Legal Paperwork

**by Jonathan Ford, Principal  
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TERRE HAUTE, IN — I try not to laugh at jokes about lawyers, but it is hard not to. For example,

*Q: What's the difference between a good lawyer and a bad lawyer?*

*A: A bad lawyer can let a case drag out for several years. A good lawyer can make it last even longer.*

I have a great affection for lawyers. I really do. Many of my friends are lawyers. No kidding.

With that said, I am very concerned that the art of the deal has become controlled by lawyers. What's been happening? Well, the fact is that the Computer Age has completely ruined the lives of all business people. Colleagues in the "deal world" who have more gray hair than I have remember the days — only 20 years ago — when deal terms really were written on the back of an envelope, and where a handshake meant something and got things done.

Legal documents, in the years B.C. (before computers) had to be typed, and then retyped if they were changed. This had a wonderful, now-forgotten impact: documents were short, to the point and few. Deal principles meant something then, and you rarely ever went back to the documents. The spirit of deal was what counted.

Then life changed, mostly for the worse. In the recent A.D. (after data processing) era, the word processor showed up. Now, tragically, legal documents can be stored, lengthened, extended, strengthened and expanded upon with no more effort than striking a few keys.

It's like rabbits multiplying. Documents are created by documents. Deals that once needed no more than a small conference room table to close now require two floors and 50 legal eagles. Documents that were created for previous deals are now reused, even though they probably weren't relevant to begin with.

*You say you're worried about developments in the environmental code in China and how it affects your deal? We have a document for that!*

## About the Author

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*Let me create an obtuse problem, heretofore only thought of by legal theorists in a basement at Cambridge. Then I'll spend a lot of your money so I can solve it.*

The worst effect of this proliferation of computer-generated paperwork is that it creates an overall atmosphere of mistrust and worry. How can I get screwed on this deal? What really is the meaning of "reasonable best efforts?" After all, "force majeure" could be when the carwash breaks down with my wife's overpriced minivan inside. Let's retrade the deal!

The fact is that legal documents, retrading, protecting your *derriere* from litigation, preparing for litigation and analyzing documents have come to rule the deal world. "CYA" has become the rule of the day, and the value of the handshake has dissipated.

Let's do away with the "gotcha" world, where you know you have an out in the documents, and the whole point of the deal seems to be to assess where and when your opponent can screw you.

Let's go back to the old-time give-and-take, where two dealmakers sat at a red-checked tablecloth somewhere and sketched out a vision and the terms of the deal on the proverbial napkin that they saved to show their kids. When they stood up at the end of the meal, they looked each other straight in the eye, shook hands and said "done" Those more straightforward and candid days created many great vending companies, cooperatives and suppliers.

Our industry is at a point of great change. The family-owned vending companies are selling out to larger corporations or becoming franchises of publicly-traded corporations. The number of manufacturers in our industry continues to decrease; Crane has bought two major factories in the last year. Some are calling our time "A.A." (after APi).

Perhaps these developments will increase our appreciation for the days when legal documents were short summaries of a handshake, not an end in themselves. It still can be done that way, given goodwill on both sides. And there are reasons to do it.

This is undoubtedly a time of great opportunity in our industry. Someone once said, "If you are going to be a player be an impact player." You can make an impact during unsettled times, periods of rapid change. Perhaps it is time to look at merging with a local competitor in the vending marketplace, or with someone in the OCS arena.

That's my toast for 2007 and beyond: To lawyers, to the value of a handshake, and to more principled days.