

At Strategy Leaders, our clients depend on us for expert advice and guidance to navigate successful deal closures. Understanding the intricacies of small businesses, we assist sellers in evaluating their situations realistically to achieve optimal outcomes. For buyers aiming to enhance their ventures by acquiring high-value companies, we aid in target identification, valuation assessments, negotiation, and finalizing deals. Facing discouraging statistics, many struggle due to inadequate preparation. Most business owners engage in selling or buying a business only once or twice in their lifetime, leading to potential pitfalls. Therefore, when considering a sale or purchase, business owners who opt for independent routes may encounter delays, setbacks, and the risk of incomplete transactions.

MERGERS & ACQUISITIONS

Navigating the complexities of buying or selling a business can be daunting. Both buyers and sellers often feel overwhelmed by the process, hesitating to take action. Here are common questions we encounter from buyers and sellers:

- What is the business valued at?
- Is now the right time to proceed with a deal?
- If I sell, what will I do if I no longer have to work?
- In case of multiple owners, how can I ensure all partners agree?
- What are the typical steps involved in completing a transaction?
- How much should I budget for advisors?

DON'T BECOME A STATISTIC.

Avoid the consequences of being unprepared:

- Following a disaster, 65% of businesses that shut down either do not reopen or fail within a year of attempting to do so.
- In normal circumstances, 40% of small to mid-sized businesses remain unsold, despite the owners' intentions and hard work.
- Only 1 in 5 online listings labeled as "for sale" actually result in a successful sale.



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WHY AND HOW TO PAY ATTENTION TO THIS SUBJECT NOW?

Baby boomers have held onto their businesses longer than expected, are running out of time to exit profitably, and are facing a widening gap between sellers (too many) and buyers (not enough).

Baby boomers were a large cohort and a significantly entrepreneurial one. The next generation, Gen X is much smaller in size overall and significantly less entrepreneurial, meaning there are fewer potential buyers than needed to snap up all of the Baby Boomer businesses coming onto the market. And the generation after that, Millennials, while larger in size than Gen X, and highly

entrepreneurial, are just getting to the point where some of them have the finances and know how to make value driven purchases. The business owners thinking of selling should be aware of the oversupply of companies for sale, and recognize that the most prepared businesses are the ones that will most likely meet their exit goals when they're ready. On the other side of the coin, because of an oversupply of businesses for sale, there are good deals to be had. And buying a business has its own set of challenges. Many buyers overpay for what they end up getting. They get caught up in wanting a specific deal to happen. They place more value on the company than its true worth. They end up competing with a last-minute entrant after they've done all the hard work of defining what makes a good deal. They buy into the seller's needs, without understanding how best to accomplish those needs while protecting themselves from overpaying. Or, they don't buy the right asset for what they really need. As a seller, know what your business is worth. Find the right buyer for your business. Make it through negotiations without getting nickel-and-dimed. Be sure your deal crosses the finish line. As a buyer, implement a process to qualify opportunities without wasting time. Make sure you have the right team behind you every step of the way. Once you find the company you want, understand how deals get valued and how to accomplish a seller's goals without giving away the kitchen sink.

Get a FREE consultation and get answers to your questions. Buying or selling a business and would like to know more, please contact us by calling 203-952-0000. Or send us an email: info@strategyleaders.com. We'd love to connect!