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*February 2018 - In This Issue:*

**OVERCOME OBSTACLES TO A BUSINESS SALE**

**INDUSTRY KNOWLEDGE**

**2017 - IT WAS A PRETTY GOOD YEAR**

**WHAT IS MY BUSINESS WORTH**

**2017 - IT WAS A PRETTY GOOD YEAR**

The 2017 economic conditions in the Greater Cincinnati were generally positive. Zoellner, Garten & Company advised many business Owners & Sellers in the Midwest. By providing guidance in every step of the process Zoellner Associates were able to optimize the value for each of these transactions for all parties.

A few of the businesses that Zoellner advised the Owner/Seller on this year include:

- a Professional Staffing Business,
- a Machine Maintenance Business,
- a Software Data Management Company,
- a Thermal Spray Coating Company,
- a Real Estate Appraisal Business, and others.

**HOW TO START OVERCOMING OBSTACLES TO A BUSINESS SALE**

**Commit to working on your business**

To overcome this obstacle, you need to make a mental adjustment. You need to commit to spending some time working on your business rather than working in your business. You need to commit to occasionally stepping back from your business to see it as a buyer might view it.

**Identify your obstacles**

To successfully sell your business, you must be prepared to successfully address a serious buyer's primary motive - risk minimization. When a prospective buyer initially starts looking to acquire a business, risk minimization is not their primary motivation. However, once a buyer becomes serious and zeroes in on a particular business, risk minimization is right at the top of the motivations. Many of the obstacles to a potential business sale are really risk factors for buyers. When you overcome the obstacles, you also minimize a buyer's risks. There's also another benefit to overcoming obstacles. Doing so will not only make your business saleable, it will also increase your profitability, allowing you to have more take-home pay during the period you own the business. That's why it is never too early to get started.

Of the 66 obstacles, some are simply common mistakes that sellers make because of lack of knowledge. Once sellers understand the nature of some obstacles, it can be relatively easy to make the mental adjustment to avoid those mistakes. Some require your personal introspection to determine your personal goals. But other obstacles require more time to tackle and may require changes to various aspects of your business. Those are the important obstacles to identify as soon as possible so you can begin making the requisite changes.

**Learn the realistic value of your business**

After overcoming the first obstacle by making the commitment to work on your business and start the planning process, there are two more preliminary steps that need to be accomplished to implement a plan to overcome obstacles. First, you need to have a realistic idea as to the current value of your business. And second, you need to identify the obstacles your business faces that you need to focus on. It's not likely you have 66 obstacles to overcome, but you might reasonably face 5 to 10, possibly more.

Qualified business brokers are a great resource

- We also advised a Buyer with the acquisition of three franchise locations.

Zoellner, Garten & Company also performed **Business Valuations and Machinery & Equipment Appraisals**. The purposes for these appraisals were varied, including estate and business planning, bank collateral, and owner buy-outs.

Some of the **Businesses Zoellner Appraised** include:

- a Heavy Haul Trucking Company,
- a Language School
- a Landscape Business
- a Precision Instrument Manufacturer, and
- several Restaurants just to name a few.

**Machinery & Equipment assets Zoellner appraised** this past year include:

- the personal property Assets of a Charter Bus company,
- a Research Laboratory,
- a Machine Shop,
- a Dry Cleaner,
- an Asphalt Paving Company,
- a Sign franchise, and
- two Medical Licenses.

**Having been in business for over 30 years Zoellner, Garten & Company's Principals collectively have over a dozen decades of experience.**

**If you are a business Owner considering the Sale of your Business, looking to Acquire a business, or are in need of an appraisal / valuation, we can help.**

Here's how you can kill two birds with one stone. Develop a relationship with a qualified business broker who can help you: 1) understand the current value of your business (and importantly, how and why it is valued that way); 2) identify obstacles to a potential sale of your business; and 3) identify opportunities for improvement to increase the value of your business. Business brokers will provide a free initial consultation to discuss your business and many will provide no-charge, no-obligation evaluations of businesses to provide their professional feedback on valuations, obstacles and opportunities to increase value. Why do business brokers provide no-charge, no-obligation evaluations? They are interested in developing a long-term relationship so when the timing is right for you to sell the business, you will remember and trust them with that responsibility.

**CAUTION! Find a good business broker**

So a good first step is to call a business broker. But, CAUTION is needed. There are a wide range of capabilities and professionalism among business brokers and merger & acquisition (M&A) intermediaries. In fact, Choosing the Wrong Intermediary is the 20th obstacle in our list of 66 obstacles. Once you make the commitment to planning your business exit, the last thing you want to do is become aligned with the wrong type of intermediary. Some are good, some not so good. It's important to get off to a solid start.

**Business brokers provide an opinion of value**

In performing an evaluation, business brokers will provide an opinion of value. That is a necessary aspect of business exit planning. You need to know where you are to plan where you are going. Having a realistic estimate of your business' value will help you understand the disparity between your longer-term personal financial goals and your current personal financial situation. It's always important to be realistic and sometimes it is necessary to adjust your longer-term personal financial goals to more achievable ambitions. Or, since you recognize there is a gap to be filled, sometimes business improvement changes can resolve the disparity over time.

**Business brokers can also help you identify obstacles to a successful business sale**

In the course of their evaluation, business brokers can also help you identify obstacles to a successful business sale. Some obstacles can preclude the possibility of a successful sale. Nothing can be more important than attending to those obstacles. It would be a good idea to discuss as many of the 66 obstacles that apply to you - one by one - with your chosen business broker and obtain their feedback as to steps that can be taken to overcome obstacles that exist in your business.

So, how can you start overcoming obstacles? Interview qualified business brokers and let them know you are interested in a long-term relationship. At little or no cost, they can provide a qualified opinion of value as well as help identify the obstacles you face in successfully selling your business.

## WHAT IS MY BUSINESS WORTH

It will cost you absolutely nothing and there is no obligation in giving us a call or an email to request a simple valuation of your business. Relying on a professional that understands your industry is important. It is also wise to work with someone who is aware of current trends; and that is working with both buyers and sellers daily. This approach insures you plan for and receive the maximum return on the transfer of your business.

### *Next Issue*

## **PREPARING TO SELL YOUR BUSINESS - 8 STEPS TO INCREASE VALUE**

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## INDUSTRY KNOWLEDGE & ACCESS TO BUYERS NATIONWIDE

Our presence as a Professional Business Broker is extended nationally as a result of being associated with associates located nationwide. We also bring decades of experience and functional expertise in all the popular market segments as a result. Nothing takes the place or value in that of experience.



We partner with our clients to deliver solutions that help solve their most complicated needs prior to, during, and at the conclusion of the selling process. Our services are designed specifically to help small/medium size businesses and at a small business price. We go beyond the norm to develop new insights, prepare, market and drive results in the sale, thus insuring you receive the most value at closing. [Learn More](#)



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