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*August 2016 - In This Issue:*

**BENEFITS OF USING A BUSINESS BROKER**

**FINDING BUYERS FOR MY BUSINESS**

**WHAT IS MY BUSINESS WORTH?**

**WE BRING YOU SERIOUS BUYERS**

**COMMON BUSINESS SALES MYTHS**

**FINDING BUYERS FOR MY BUSINESS**

In a recent meeting with the Owner of a Company I was asked "How do you find Buyers?" My typical response to that question is to rattle off - our website, national websites, our network of professionals, research, etc. Not sure why but I didn't say that - but I did said "Exposure Without Disclosure!". My further explanation was that we prepare a Profile that has enough information to intrigue possible buyers - "Exposure" but not so much as to identify the Company - to preserve Confidentiality - "Without Disclosure".

I went on to say that the Profile goes on our web site, national web sites, to our affiliates, and to target groups - Strategic Buyers, Private Equity

**BENEFITS OF USING A BUSINESS BROKER**

A good business broker offers the following overall benefits throughout the sale process:

**Overall benefits**

- Confidentiality is of utmost importance. Brokers know how to maintain control of the release of information to control confidentiality throughout the process.
- Experience is necessary to handle the complex issues encountered in a business sale. A broker's third-party perspective of a business enables anticipation of obstacles to a sale and appropriate resolution of issues that arise.
- Brokers maximize seller proceeds by establishing a reasonable offering price of the business while also considering structure and taxation issues. Brokers can also help maximize seller proceeds through the negotiation process.

*A good business broker/intermediary can help solve the puzzle of how to successfully sell your business, including providing an opinion of value, identifying obstacles that must be overcome and spotting opportunities to increase the value of the business.*

- Brokers streamline the sale process and timeline to minimize business interference. Business continuity is an extremely important factor, especially while the sale process is underway. A lengthy and unwieldy sale process increases many risks

Groups, Family Offices, and maybe specific targets for whatever reason, including input from the Owner.

**The Key is the Profile - to provide enough but not too much SPECIFIC information. From our literally decades of advising Business Owners - we know that it works.**

## 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.

## INDUSTRY KNOWLEDGE & ACCESS TO BUYERS NATIONWIDE

Our presence as a Professional Business Broker is extended nationally as a result of being an affiliate of [BHarmony, LLC](#).

We also bring decades of experience and functional expertise in all the popular market segments as a



including confidentiality breaches, business declines and customer and/or employee defections.

- Brokers reduce owners' frustrations during the sale process. Selling a business is rarely easy, and there are always emotional twists and turns before a transaction is completed. A good broker can help sellers persist when the inevitable emotional issues are encountered.
- Brokers can be a great source of referrals for qualified professional advisors with business sale experience such as valuation specialists, attorneys and accountants. Brokers coordinate the efforts and efficient use of outside advisors. As a result, professional advisory fees are often minimized.

Following are specific benefits of using a business broker. These are detailed by various phases of the sale process:

### Benefits - presale (exit) planning

- Brokers provide an opinion of the business' value.
- Brokers identify obstacles to a successful sale.
- Brokers identify opportunities to increase the value of a business.

### Benefits - preparing the business for sale

- Brokers prepare a marketing package (confidential profile) of the business.
- Brokers prepare a "blind" description of the business for advertising purposes.
- Brokers develop and implement a confidential advertising plan to confidentially expose the business.
- Brokers prepare financial analysis information, including normalized (recast) financial statements to document Sellers Discretionary Earnings (SDE).
- Brokers establish a fair offering price and prepare supporting documentation.

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](#)

## **AVOID COMMON BUSINESS SALES MYTHS**

**Myth #1 - I Can Sell It Myself**

**Myth #2 - I'll Sell When I'm Ready**

**Myth #3 - I Know What it is Worth**

**Myth #4 - It's Like Selling a House**

We would welcome the opportunity to discuss these myths with you personally. [Email us.](#)

### ***Next Issue***

#### **[Choosing a Business Broker](#)**

#### **[Contact Us](#)**

## **Benefits - finding buyers**

- Brokers review their database of prospective buyers.
- Brokers prescreen and qualify buyers inquiring about the business and screen out "tire-kickers."
- Brokers obtain a confidentiality/non-disclosure agreement from buyers before releasing confidential information.
- Brokers prepare sellers for buyer meetings, including helping them understand buyers' motivations and perspectives.
- Brokers create competition by identifying multiple prospective buyers.
- Brokers maintain continual follow-up contact with interested buyers and control the process.

## **Benefits - offer stage**

- Brokers receive and present offers to sellers and help sellers understand buyers' perspectives on their offers.
- Brokers help sellers evaluate offers and strategize on options to respond.
- Brokers act as intermediaries throughout the negotiation process. Brokers can act as a "sounding board" for each party and/or play "good cop/bad cop" on behalf of sellers.
- Brokers can help revive near-death deals. In offer negotiations, it seems most transactions "die" at least once before they are Lazarus-like revived.

## **Benefits - due diligence stage**

- Brokers help sellers prepare for and respond to due diligence requests.
- Brokers help coordinate the due diligence process, including coordination with outside advisors.
- Brokers help address and resolve buyer concerns.
- Brokers help revive deals dying in due diligence. Just as deals die in the offer negotiation stage, it seems they often "die" at

least once in the due diligence stage before being revived.

- Brokers can help buyers obtain lender financing.
- Brokers can coordinate the professional valuation process if required.
- Brokers help keep the entire process moving forward on a timely basis.

## Benefits - closing stage

- Brokers coordinate the closing process and may act in an intermediary role between the opposing parties' attorneys as the final definitive documents are drafted.
- Brokers help revive deals dying during the closing phase. Communication problems, misunderstandings and battles over final terminology, especially in the warranties and representations section of the final documents, are common deal-killers. Even in the closing stage, brokers regularly help resolve issues and revive near-death transactions.



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