



# NuVescor GROUP

Mergers & Acquisitions • Business Valuations • Financial Services

**Jennifer Leavenworth**  
Transaction Manager

**Steve Whitteberry**  
Managing Director

**Brian Brink**  
Managing Director

**Eric Seifert**  
Managing Director

**Randy Rua**  
Managing Director

**Keith Lang**  
Managing Director

**Kevin Hirdes**  
Managing Partner

**Mike Tummino**  
Managing Director

**Craig Wolff**  
Managing Director

**Jack Snyder**  
Managing Partner

**Steven L. Adams**  
Advisor

**Richard Wroten**  
Managing Director

## Timing is Everything

*Or it can be, when it comes to the sale of your business*

— By Richard Wroten

### Here's the "Deal"

One of the more challenging questions for a business owner is whether or when to sell their business. In most cases, it's not a matter of whether they will sell; it's more a matter of when.

There are a large number of factors affecting the decision on when to sell. Depending on the nature of ownership, these considerations may vary widely. We, at NuVescor Group, interact with a variety of organizations whose ownership ranges from broadly-held to family-owned and other closely held businesses. The focus of this discussion will be primarily on the closely-held, including family-owned businesses.

In our experience, we find that most sales are motivated by one or more of the following reasons:

- **Family/Estate/Retirement Purposes**
  - Approaching retirement
  - Family planning - no successor
    - Next generation not able or interested to carry the business forward
  - Divorce
  - Family member/partner - ready to cash out
- **Owner wants a change**
  - Burnout
  - Lost enthusiasm for the business
  - Interested in other opportunities
- **Health Issues**
- **Financial pressure** (company or personal)
  - Competitive pressures
  - Poor company performance
  - Key people leaving the company
- **Not able to sustain or take company to the next level**
  - Significant capital needed to move forward
  - Beyond current management capability
- **Market risk - peace of mind**
  - Changing economics - it may be time to "take some chips off the table"
  - Possible exposure - shrinking margins, loss of customer base, new legislation, etc.
- **Great price offer**

### How Can We Help?

Whether you intend to sell during the next year, 3, 5 or even 10+ years, planning ahead makes abundant good sense. As **Benjamin Franklin** put it, "by failing to prepare, you are preparing to fail." Take market risk as one consideration. Any one of countless external factors may have a dramatic, overnight impact on the margins and the ultimate viability of an industry and/or the individual companies within it. As an example, we have recently seen the cost of gasoline fluctuate widely, in some cases reaching historic highs. In a broad sweep, this has profoundly shrunk the luxury boat business; severely crippled margins on long-haul trucking; and, significantly re-shaped the automotive industry.

A recent study by a national accounting firm found that half of U.S. business owners plan to sell in the next decade. Another source expects 40% of family-owned U.S. businesses to sell within five years. In light of these studies, we recommend that you design an exit strategy now before the market is saturated with businesses for sale.

A solid exit strategy will anticipate trends and guide you towards your favored goals. We offer, at no cost or obligation, an initial consultation to help you sort through options; discuss the staging of your company to achieve your maximum sale price; and, recommend/participate in discussions with your other trusted advisors to ensure you are structured for optimum outcome as it relates to investment returns, estate planning and minimizing taxes. Other insights we can provide, again at no cost or obligation, are the answers to these questions:

- What is my company worth?
- What will be my next steps when I decide to sell?
- What are the major pitfalls I must avoid when selling my company?

*Give us a call - as a business owner, it will be one of the most interesting discussions you'll have this year.*



616.855.5955 tel  
616.855.5940 fax  
866.447.6440 toll free

[www.nuvescor.com](http://www.nuvescor.com)

Located at  
The Bridgewater Place  
333 Bridge St. NW  
Suite 810  
Grand Rapids, MI 49504

INTEGRITY

CONFIDENTIALITY

TIMELY RESULTS