

ROCG



Lemoine Hyland
Consulting

global reach...local experience.

Four Ways to Sell Your Business

Choosing the right path for you and your business

Australia • Canada • Ireland • New Zealand • United Kingdom • United States

And the starting point is...

“You’ve got to be very careful if you don’t know where you are going, because you might not get there”

Yogi Berra

The first step is

Selecting a date when you can transition the business to others

The business owner's challenge:

To put themselves in the position, at a future date, where they have choices regarding retirement or transitioning their business to others

The “*my*Succession Game Plan” is a process for identifying and categorizing the activities required to achieve this objective

How many of us have a specific date in mind?

*my*Succession Game Plan

After selecting a date, what are the **primary** issues you have to deal with between today and your date?

- Identify the **personal** issues
- Identify the **business issues** as you head toward retirement and/or selling your business

These must be dealt with regardless of the method of selling

Personal and Business issues you deal with as you head toward your Destination Date

- **Your personal and family legacy**

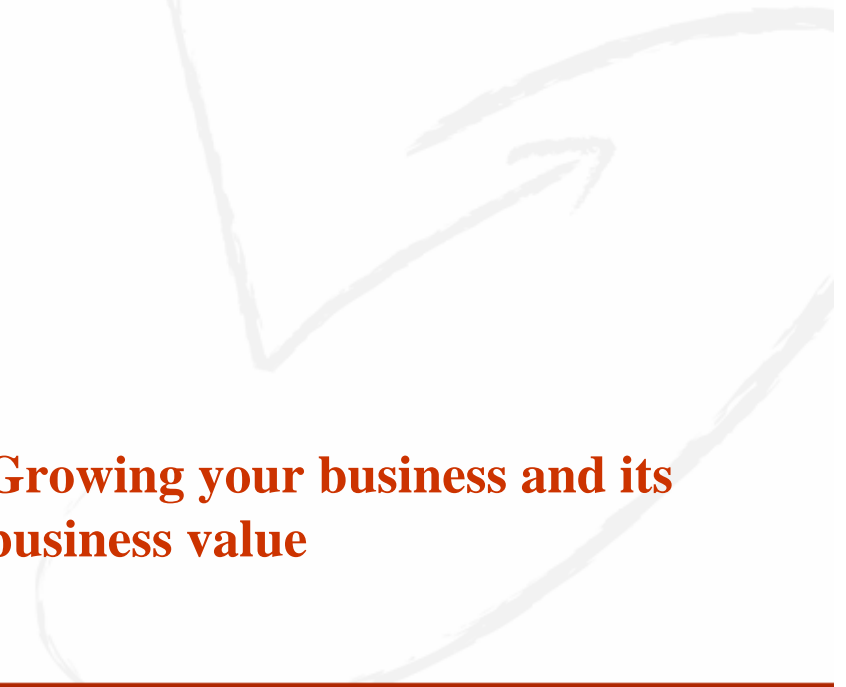


Important personal matters

- **Your Business value on Exit**



Growing your business and its business value



Four ways to sell your business

1. Family ownership
2. Employee ownership
3. Selling to a third party
4. Taking your company Public

What options make the most sense for you?

What are the factors you might wish to consider?

No 1. Family ownership

- Who are in to stay and who are not?
- Financing family members not in your business, but sharing or acquiring another business
- Their talents and potential for entrepreneurial success
- Required training and managerial skills development

Objectives:

- To allow the owner to remain involved in the company;
- To transfer the company to a known entity
- To provide family with future opportunity

Disadvantages:

- Little or no cash
- Continuing financial risk
- Ill equipped

No. 2

Employee ownership

- Identifying the potential for employee or managers buy out
- Preliminary plan and presenting opportunity
- Training and development of managerial talent
- Implementing financial considerations and buy out method
- Assessing strategy or developing secondary plan
- Asset reorganization which assets to leave in the business
- Formal offering of the business for sale
- Negotiations and creating a deal
- Completing the succession paperwork
- Closing and after sale considerations

No. 3 Selling to a third party

- Identifying likely purchasers and what they most want from the business
 - Suppliers
 - Competitors
 - Customers
 - Opportunists
- Assessing your management team and required changes
- Your own responsibilities and delegating those to others
- Clean up the balance sheet
- Resolution of overhanging issues, lawsuits, bad debts, etc.
- Contracts, contracts, contracts!
- Shareholder structure and its positioning for sale
- Offering the business for sale – the process
- Negotiations and creating a deal
- Closing and after sale considerations

No. 4 Taking the Company Public

- Audited financial information
- Systems conforming to public ownership disclosure requirements
- Management team experienced in public ownership structure and going public activities
- Established Board of Directors for governance
- Highly evolved company public relations, branding and company awareness of marketing strategies
- Implementing strategies for building shorter term shareholder values
- Developing critical mass, market positioning and size tests
- Development of upside and growth potential businesses and elimination of marginal and low growth activities
- Creating IPO team and initiating the process
- Closing and after sale considerations

What is it you are really selling?

Most of us think we are selling our business

Let's look at it a little differently.....

Considering what to sell

1. Operations People, systems and processes, products and services, customer and supplier relationships all creating profits and cash flow
2. Property
3. Equipment
4. Intellectual property

Who you are selling to may influence what you decide to sell

Your role during the transition

- Replace yourself
- Build an organization that is independent of you
- Use your skills to develop a business that can be sold for maximum value. Do not utilize your skills for the purpose of operating the business

Put the business in a position where you can say:

- This is what we are doing to grow the business, *rather than*
- This is what you should do to grow the business

Business Succession is a process requiring thought, planning and time to arrange and execute.

Phase One:

Determine the exit timing and requirements of key stakeholders

Phase Two:

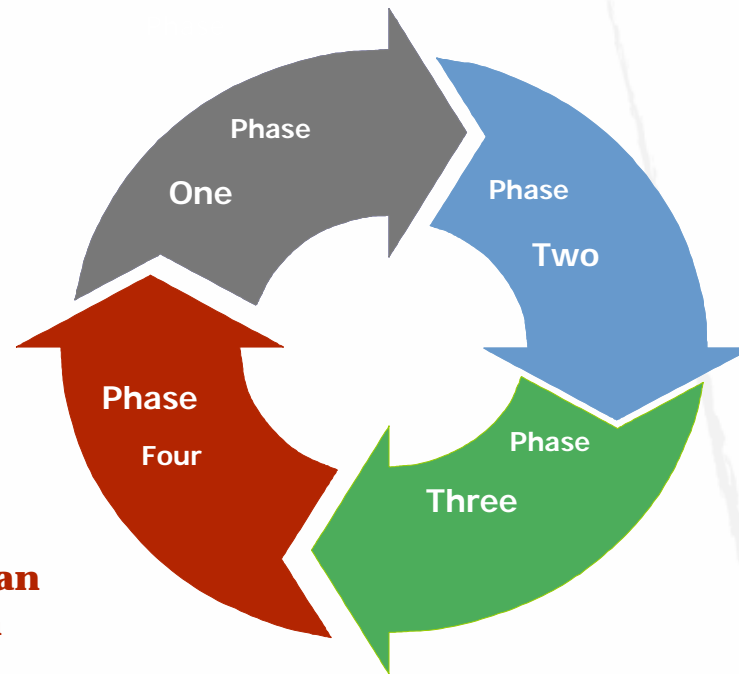
Prepare the business for a smooth succession

Phase Three:

Research and consider all viable succession options

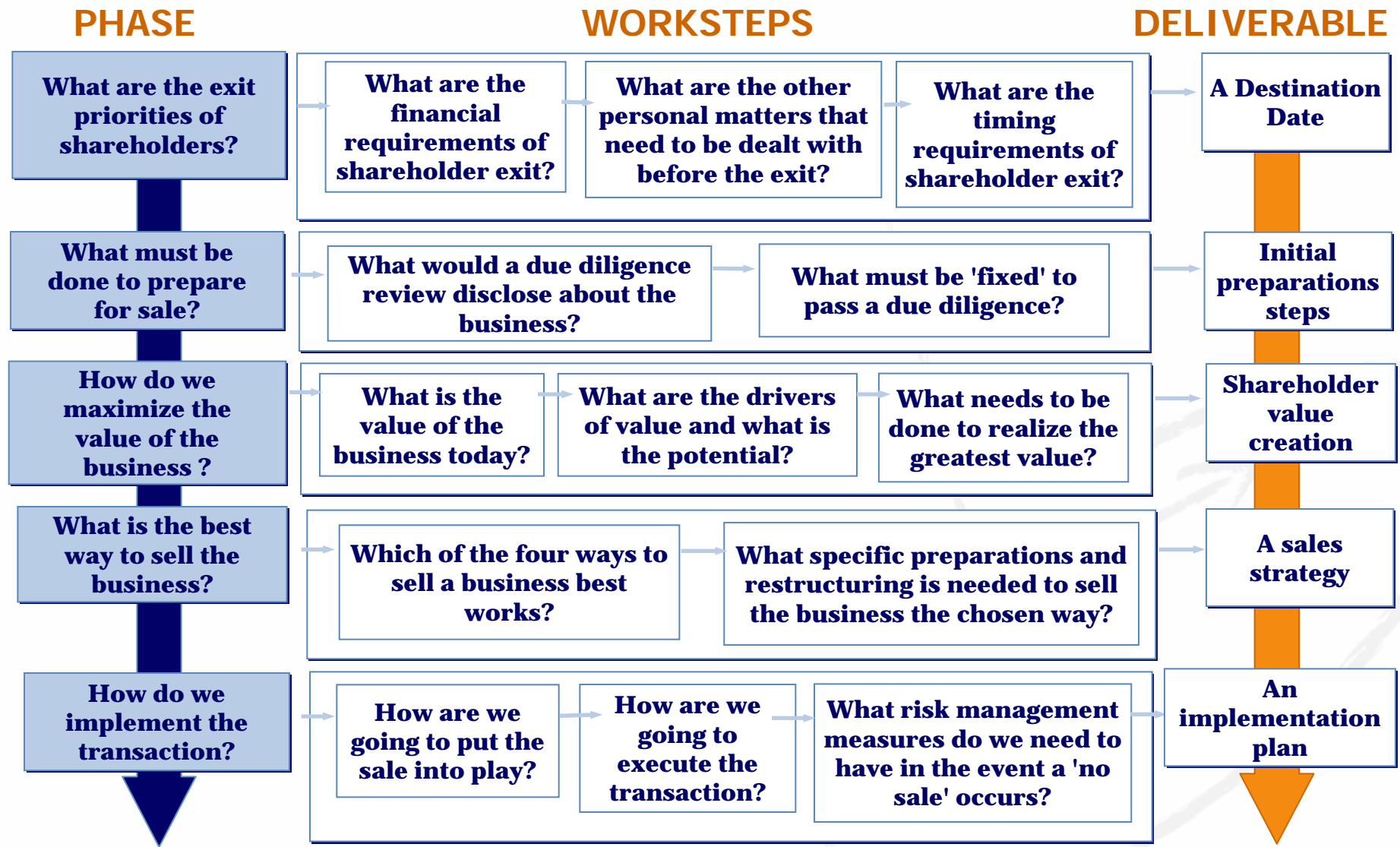
Phase Four:

Select the preferred options and develop an implementation plan



Are you prepared?

mySuccession Game Plan



Skills required by your advisory team

- Proven Strategic Planning Process
- Comprehensive and Customizable Approach
- Experience in Working with Management Teams
- Cutting Edge Tools and Technology
- Efficient Process with Significant Time Savings
- Expert Facilitation and Problem Solving

Our firm...

- **ROCG Lemoine Hyland Consulting** is a member of the ROCG, an international consultancy with offices in USA, Canada, United Kingdom, Ireland, Australia and New Zealand
- We specialize in helping privately owned growth enterprises of all sizes
- We work in the areas of Business Strategy, Marketing Strategy, Product Strategy, Financial Strategy, Operations and in particular the crossover of each of these fields.

Global reach, local delivery...

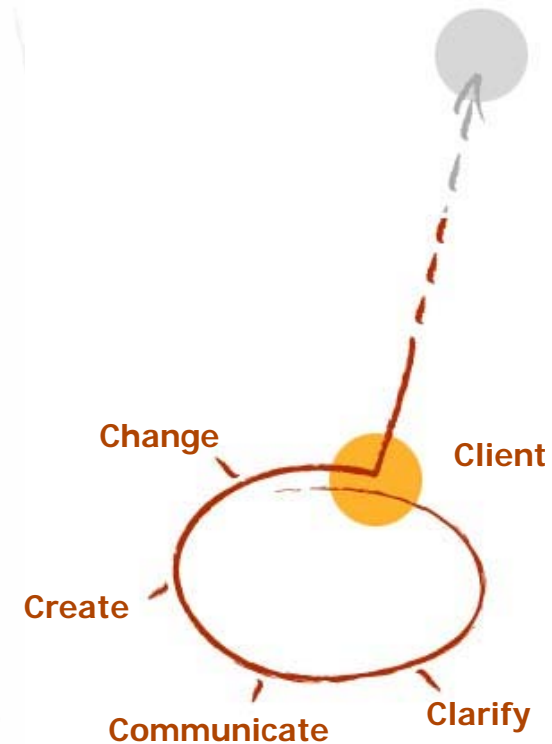


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Our consulting philosophy...

Our goal is to help **clients** achieve superior performance and build sustainable value for their business. This approach involves:

- Bringing **clarity** and insight to current business issues
- **Creating** solutions that deliver actionable outcomes
- **Communicating** throughout the process to ensure stakeholder involvement
- Supporting your organization through the **changes** required for success.



The Proprietary ROCG solutions set...



Why you need to do this...

- To give your business direction
- To bring the team together
- To help guide management decisions
- To allow consistent decision making
- To create shareholder value

ROCG



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