

BRANDED CONTENT

DECEMBER 18, 2023

LA STATE OF **BUSINESS** READINESS

ARE YOU READY TO RETIRE, SELL OR TRANSITION YOUR BUSINESS?

Join us for a breakfast featuring leading experts on specific trends for business owners on succession planning, wealth transfer, the latest tax strategies, and when is the right time to exit your business.

Register today!

TUESDAY, JANUARY 23

Sheraton Universal Hotel | 9:00AM - 11:30AM PST

Register at labusinessjournal.com/events/bizreadiness

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LA STATE OF
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Letter from the Publisher



Nearly one year ago, the Los Angeles Business Journal and the San Fernando Valley Business Journal, along with key partners from Withum and Strategist by Morton Wealth, began laying the groundwork for a new initiative. It was a project that we felt would, ultimately, provide business owners with a barometer of sorts – a measuring stick or way for them to gauge where they stood in their business planning compared with so many others in similar circumstances. Our goal was to create a survey for business owners that would allow them to share their planning goals, status

of such goals, execution plans, exit strategies, overall state of business owner readiness, and so much more. Our next step was critical. We knew we needed the right research partner. Enter EPI: Exit Planning Institute. We immediately knew this was the partner that would propel the data-driven project forward.

Fast forward to today. With the survey complete and an overwhelming response from the business community, we reviewed the data, read through the results, and began compiling the story it told. The result serves as an invaluable tool for business owners throughout the Los Angeles region. The survey process gave our Community

of Business an opportunity to partake and gain an inside look at how, why, and to what extent business owners have laid the foundation for an eventual exit from the businesses they worked so hard to create.

Within these pages, you'll find a few of the highlights from the survey results. In addition, we've invited our survey partners to share their insights and advice on issues impacting business owners.

On January 23, 2024, we will be hosting an in-person roundtable discussion at the Sheraton Universal Hotel. We're excited to share more of the survey results, to hear from some of the region's most trusted advisors, and to engage with business owners on all things "business readiness." This is a chance for us to bring the results to life, to dig deeper, and to hold meaningful discussions about best practices and opportunities for owner improvement. Attendees of the event will also receive full access to the entire 67-page comprehensive report on the State of Owner Readiness in Los Angeles.

Many thanks go out to Janas, Lucas Horsfall, Mariner Wealth Advisors, Mitchell Silberberg & Knupp LLP (MSK), Palm Tree, Strategist by Morton Wealth, and Withum. Your partnership extends far beyond this initiative, and we look forward to continuing to work together to prepare business owners for today, tomorrow and beyond.

We look forward to seeing you on January 23rd!

Best regards,



Josh Schimmels

Publisher & CEO

Los Angeles Business Journal | San Fernando Valley Business Journal

THE PANELISTS

Hear from our experts as they help you take an honest look at your business through the value lens, to rate the strength of your talent, to consider the transferable intangible assets you have fostered, and to measure your progress in business, financial and personal planning.

PANEL TOPICS TO INCLUDE:

- Goals and objectives
- Financial planning
- Proven exit strategies
- Business valuation
- Contingency planning
- Tax and estate planning
- Action plans for success

**The question is:
Are you ready?
Let's find out!**



Jeffrey K. Eisen
Partner; Co-Chair of Trusts & Estates Practice
Mitchell Silberberg & Knupp LLP



R. Carter Freeman, CMC
Chairman
JANAS Associates



Gaurav Malhotra
Partner
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Chris Passmore
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Joe Seetoo
Senior Vice President; Partner
Morton Wealth



Andrew Welzel
Director; Senior Wealth Advisor
Mariner Wealth Advisors

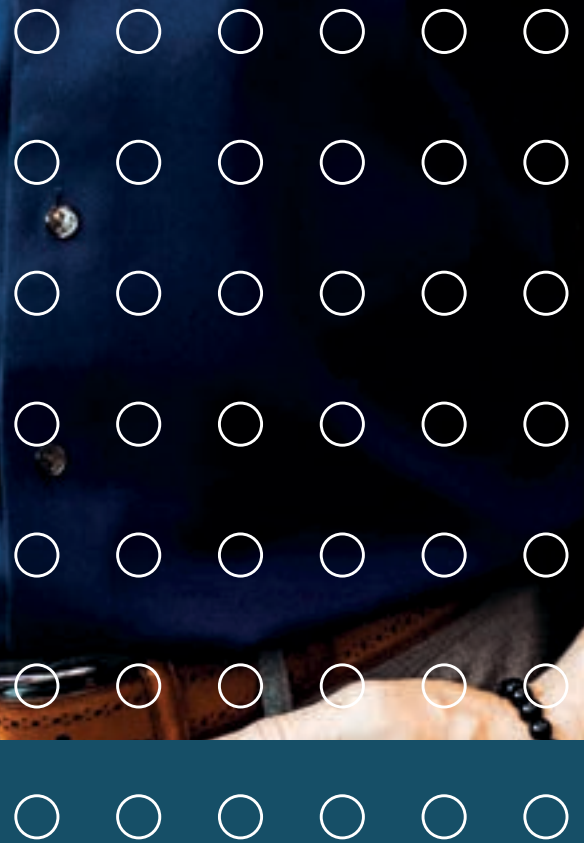
Register at labusinessjournal.com/events/bizreadiness



“Most business owners feel nervous and overwhelmed at the prospect of selling their business. This is why we created the Strategist – to help owners focus on the aspects of their business that will produce the most ROI and save them time by building a team of advisors. Our aim is to give them a clear disciplined approach that results in more clarity around the impact to their life and business.”

JOE SEETOO

Wealth Advisor & Partner



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ABOUT THE STATE OF OWNER READINESS REPORT

The State of Owner Readiness Report is an analysis of data collected from business owners in Los Angeles to determine their readiness to exit their business.

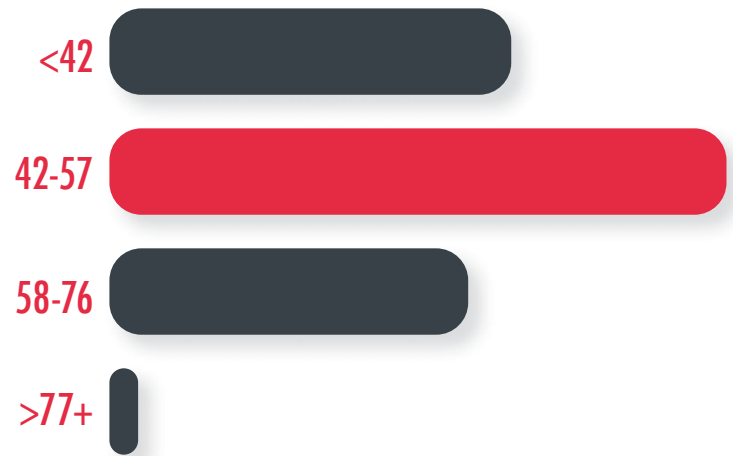
This year we asked business owners about their transition teams, business exit timelines, and the importance of a transition strategy.

The data in the report highlights the importance of educating business owners about exit options. After reading the report, professional advisors can apply the results to their practice and utilize this valuable information about emerging client markets.

Scott Snider, president of Exit Planning Institute, shared “perhaps the most significant thing about the business owner respondents is that 92% of them indicated they had some form of an exit strategy in place and 41% of respondents specified that this strategy was formally written and documented.”

The Los Angeles State of Owner Readiness survey was completed by 323 business owners in the region. The response group was relatively split equally among three generations: millennials, Generation X and baby boomers. Our sample represented approximately 28% under the age of 42, 43% between the ages of 42 and 57, 25% between the ages of 58 and 76, and 2% 77 years of age or older.

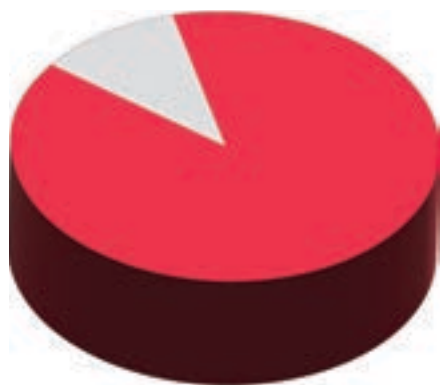
RESPONDENTS BY AGE



TRANSITION READINESS

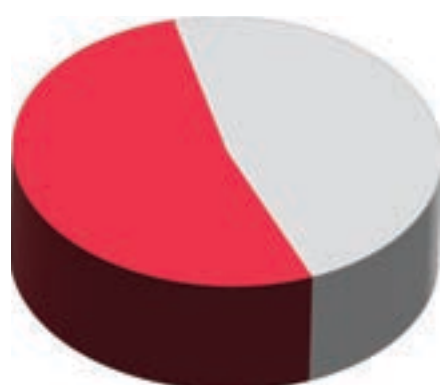
When asked if “having a transition strategy is important for both their future and the future of their businesses,” 89% of Los Angeles owners surveyed indicated that they agreed with this statement with 57% stating they “strongly agree.” Additionally, 68% of owners have spent time and attention on their exit and 34% listed it as their top priority.

IS HAVING A TRANSITION STRATEGY IMPORTANT?



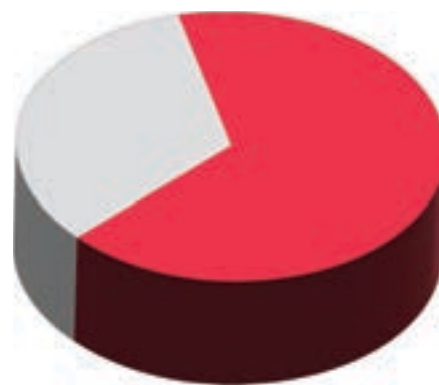
89%

of surveyed business owners indicated that they agree



57%

of surveyed business owners indicated that they strongly agree



68%

of surveyed business owners stated they have spent time and attention on their exit

34%

of surveyed business owners listed having an exit strategy as top priority

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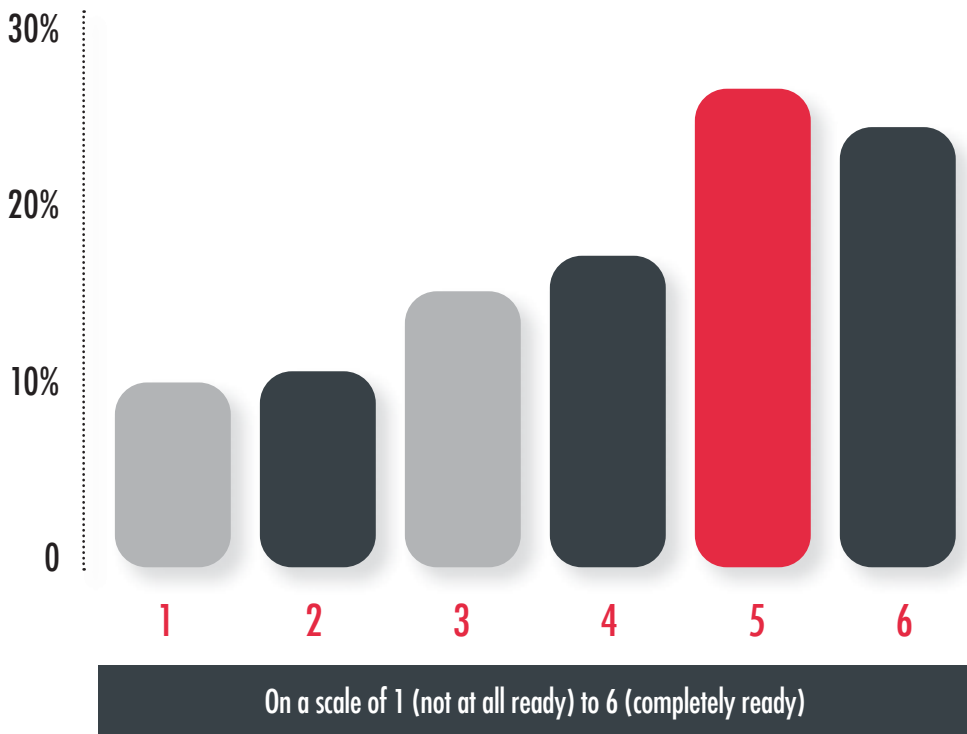
Withum proudly supports the Los Angeles Business Journal's State of Business Readiness event, playing a pivotal role in shaping a seamless and strategic approach to transactions in today's dynamic business landscape. Our professionals facilitate informed decision-making through tailored expertise and comprehensive support.

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LA STATE OF BUSINESS READINESS

LOS ANGELES MARKET STUDY

When rating their personal readiness to transition away from their businesses, here is how Los Angeles owners feel:



323

BUSINESS OWNERS SURVEYED

Los Angeles owners name their financial advisor as their 'most trusted advisor'



TOP THREE FUTURE PLANS

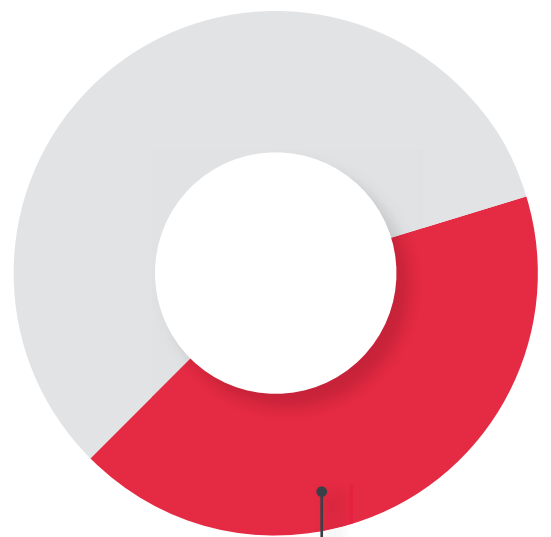
71% of Los Angeles owners plan on investing in or serving on a board of another business

40% of LA owners plan to retire

38% of LA owners plan to focus on philanthropy or civic work

TRANSITION READY?

66% of business owners in Los Angeles are familiar with their exit options



42% of business owners in Los Angeles have not established a formal transition team



Mitchell Silberberg & Knupp LLP

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MSK is a full service law firm that companies turn to when they want a creative legal advisor and business partner. With deep roots in Los Angeles's entertainment industry since 1908, MSK has expanded over the years and developed a national presence across a variety of industries and practice areas, including tax, trusts & estates, immigration, corporate, labor & employment, real estate, and regulatory. Operating from offices in Los Angeles, New York, and Washington, D.C., MSK enjoys a culture that benefits as much from its diversity of perspectives as it does from its stability, with many partners choosing to spend their entire careers at the firm.



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LA STATE OF
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Maximize the Future Through Strategic Preparation

By JOE SEETOO

Henry David Thoreau wrote, “If one advances confidently in the direction of his dreams, and endeavors to live the life which he has imagined, he will meet with a success unexpected in common hours.”

Imagine a world where every entrepreneur’s hard work culminates in a legacy that not only propels their dreams forward but also provides them with the ability to live their best life. Yet the harsh reality is that for some owners, all the years of hard work and sacrifice don’t materialize into the wealth and freedom they imagine. Why is this? The short answer is that most owners don’t engage in exit planning early enough, so they don’t know the options available to them in order to maximize their outcome.

To achieve the result you desire, we recommend taking these actions:

QUANTIFY THE WEALTH GAP

The wealth gap is the difference between the value of your business on an after-tax basis and the funds you need to live the life that you want. To minimize this gap, first, dream about the future you want to create for yourself and your loved ones and understand the income you’ll need to accomplish this. For some, it could be buying a second home, setting up a family foundation, or dedicating funds to their grandkids’ education. Once you have a vision, or a North Star, of your life after the business, then calibrate the current value of the business using an independent third-party valuation. Most advanced estate and tax-saving strategies need to be considered and structured before the sale of the business. By creating a road map that encompasses all aspects of your financial life—assets, income, taxes, insurance, and estate structures—as well as your aspirational goals, you will have a strategic framework to guide you in stewarding your wealth that aligns with your life plan.

AVOID SELLER’S REMORSE

By taking the time to incorporate your business value with your personal financial plan, it puts you in a much better position to understand what your options are. I often hear from transaction attorneys that most owners focus solely on price but don’t understand the importance of “deal terms.” In order to get the deal done, bankers and attorneys often need to use creative structures like rollover equity from the acquiring firm, an earn-out structure or an employment agreement. All of these can have a meaningful impact on an owner’s financial future. At Morton, we create different scenarios of potential exit options both ahead of the transaction and during the transaction with feedback from the investment banker, CPA and attorney. If the owner has done the work ahead of time, they’ll have a higher degree of confidence to move forward when it’s time to memorialize the deal.

BUILD A PROPER TRANSITION TEAM

At a minimum, your external advisory

team should include your CPA, estate attorney, wealth advisor, business transaction attorney and your investment banker/business broker—assuming an external sale. Depending on your circumstances, you may also need to use a commercial banker, ESOP specialist, or family consultant.

HIRE AN EXIT PLANNER

While all members of the team have deep knowledge in their specific domain, it’s critical that someone besides the owner has a deep understanding of the bigger vision and the outcome the owner wants to achieve, both for the business and for their personal goals. A qualified exit planner has been professionally trained in a holistic body of knowledge

‘By taking the time to incorporate your business value with your personal financial plan, it puts you in a much better position to understand what your options are.’

that helps an owner become transition ready. To use an analogy: If you were building your dream house, do you really want to act as the general contractor? Or would you prefer to partner with a general contractor who has expertise in building dream homes or, in this case, your dream future?

OWN YOUR FUTURE

Through proactive planning, you can tilt the odds in your favor of creating the future you envision. Understanding your business and personal financial goals—as well as the exit planning process and its timeline—will inspire you to take action and increase the likelihood of a successful transition event. And by leveraging a team of trusted advisors, who are able to champion specific initiatives on your behalf, you will be able to stay focused on running your business.

Our Strategist by Morton offering is focused on improving outcomes for business owners. If you are interested in learning more, please feel free to reach out to me.

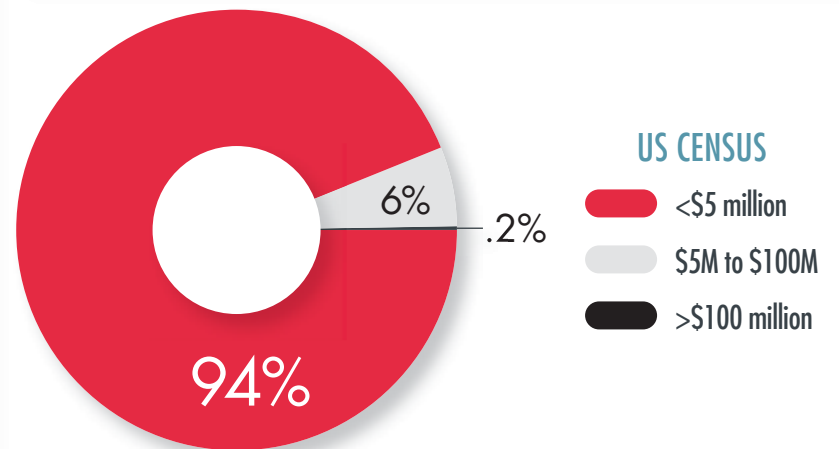
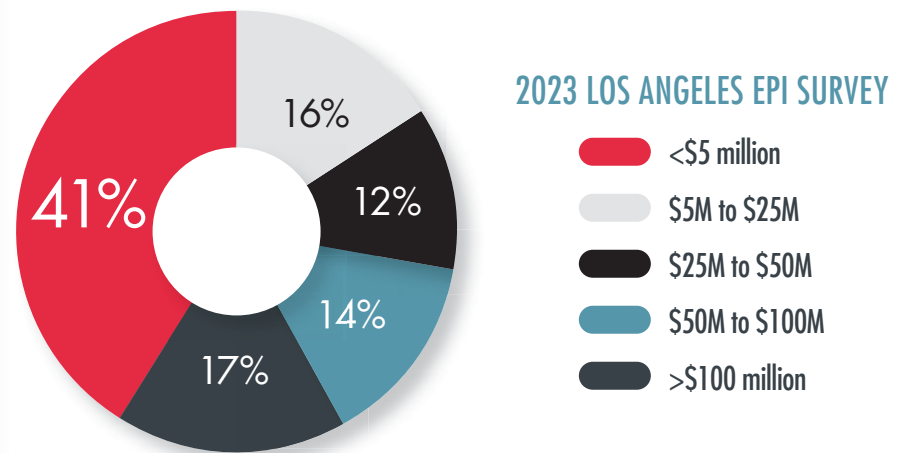


Joe Seetoo, CFA, CFP, CEPA serves as wealth advisor and senior vice president at Morton Wealth. He can be reached at jseetoo@mortonwealth.com or (818) 591-6219. Learn more at mortonwealth.com.

COMPANY DATA

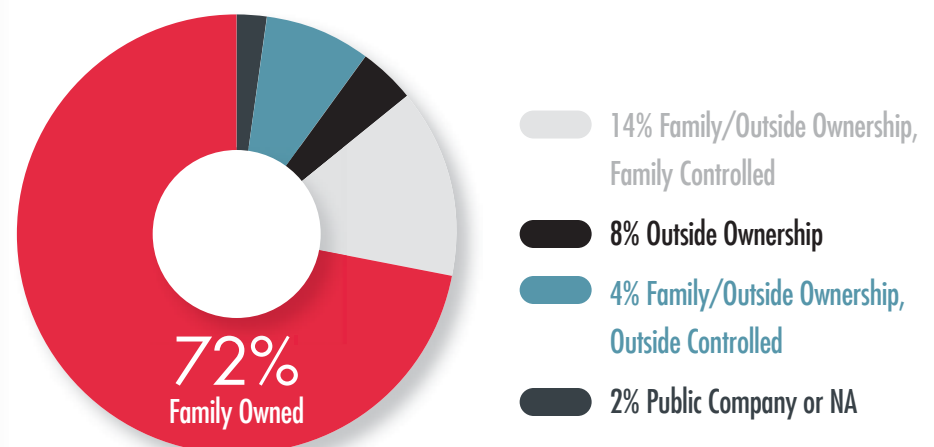
To get a sense of the kinds of Los Angeles businesses by size (and how they compare to national averages) and ownership structure, here is top-level view.

PERCENTAGE OF BUSINESSES BY SIZE OF REVENUE



Data from previous SOOR surveys showed that **less than 6% of businesses** earned more than \$100 million in annual revenue.

OWNERSHIP STRUCTURE





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LOS ANGELES \\\ CHICAGO \\\ DETROIT \\\ DALLAS

LA STATE OF **BUSINESS** READINESS

Succession Planning: Considerations for Business Owners

By ANDREW WELZEL

Entrepreneurs are often too busy running their businesses to stop and create a succession plan. In fact, according to PwC's US Family Business Survey, approximately two-thirds of business owners do not have a documented plan in place. Let's face it, selling or transferring a business can be complicated and time consuming.

OPTIONS FOR TRANSITIONING YOUR BUSINESS

Depending on whether the intent is to transfer the business to key employees or family members or to sell to a financial buyer, consider the following questions:

- Have you quantified the funds needed from the sale to meet life goals and future cash flow needs?
- Has this plan been stress tested?
- If you co-own the business, do you have buy-sell insurance in place so that your co-owners can buy out your shares should you die unexpectedly?

SUCCESSION PLANNING, TRANSITIONING OUT AND SELLING ALL TAKE TIME

Transitioning your business to a family member, co-owner or new buyer takes time to plan, even as much as five years out as the hypothetical illustration below indicates. And your timeline doesn't end there—you'll need to plan for about 12 to 18 months to transition out of your business to help ensure continuity and steady leadership. In addition, the sales transaction itself can take as much as six to nine months. Be aware that if you transition out too quickly, it could negatively impact the valuation of your business, so consult with your

wealth team to help minimize risk.

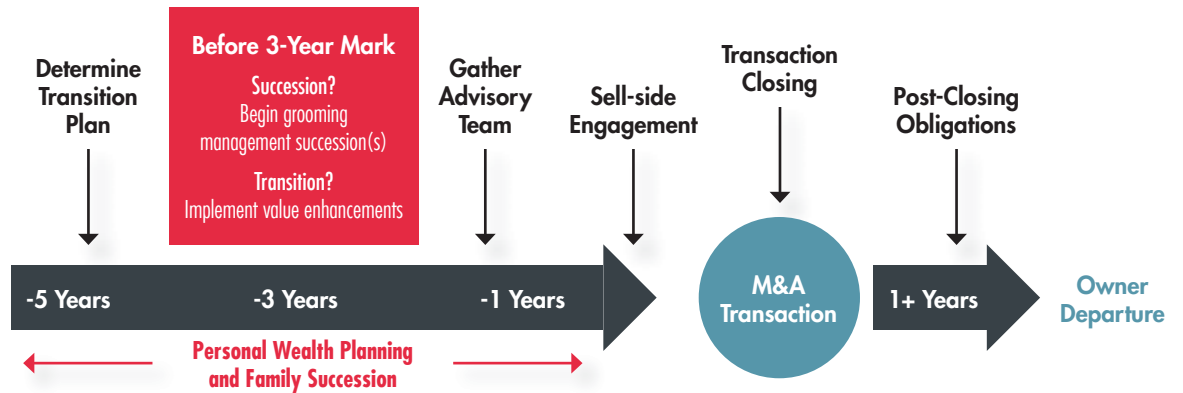
What does your transition timeline look like? In our opinion, it is critical to have a wealth team to help you manage the legal, tax and administrative aspects of the business transition.

Here are some additional questions to consider as you plan ahead:

- Do you have a management succession plan in place in case you become incapacitated or die? Who can run the business besides you?
- Is it possible to implement changes in the efficiency or structure of your business to make it more attractive to a potential buyer?
- If you were to die, is there enough liquidity in your estate to pay the estate taxes without having to urgently sell the business for potentially less than it's worth?
- How does your business flow through your estate plan if something happens to you?
- Have you paid attention to the difference between ownership and control of your business in your estate plan?
- Does gifting some part of your business make sense in light of the estate tax laws that are set to change in 2026?

ENHANCING THE VALUE OF YOUR BUSINESS

If there is a gap between what your business is currently worth and what you need to net after taxes to meet your life goals, then it is time to start looking at what can be done to



help enhance the value of the business. This is where having a wealth team to support you, we feel is critical.

HOW WE HELP BUSINESS OWNERS

- Our services for business owners include:
- Investment banking (strategic/structured process in the sale of a business), business valuation and business advisory services
 - Tax planning and preparation, including creative tax analysis and year-round planning strategies
 - Trust, estate and multigenerational planning to help plan for the next generation of business leaders
 - Wealth planning with a focus on how much a business owner needs to net after taxes from the sale of the business to meet financial objectives
 - Tax-efficient investment strategies based on a combination of effective investment strategies and a deep understanding of the current market environment
 - Retirement plan design and consulting to meet the needs of the business and its employ-

ees for building retirement readiness

WE CAN HELP YOU PLAN AHEAD

At Mariner Wealth Advisors, we understand the challenges, including succession planning, faced by business owners. We specialize in addressing each of the planning considerations as we create long-term wealth plans to help our business-owner clients grow and protect their businesses, mitigate risk and establish transition plans.

Some services listed are provided by affiliates of Mariner Wealth Advisors.

To continue the conversation about succession planning, contact director and senior wealth advisor Andrew Welzel at andrew.welzel@marinerwealthadvisors.com. For more information on how Mariner Wealth Advisors helps entrepreneurs, visit the business services section of marinerwealthadvisors.com.



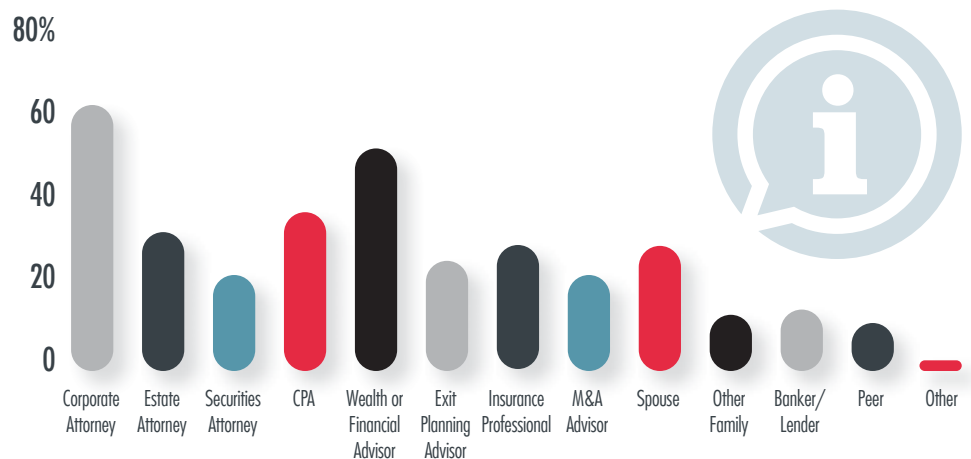
POST-TRANSITION STATS

Here are some statistics demonstrating how most business leaders view the future and where they go for advice.

WHICH STATEMENT BEST DESCRIBES YOUR POST-TRANSITION PLAN?

- 41% I have a written formal plan of what I will do next
- 28% I have a good informal plan of what I will do next
- 23% I have an idea, but not a formal plan at this time
- 8% I have not really thought about what I will do after I transition the business

WHO, IF ANYONE, HAVE YOU SOUGHT OUTSIDE ADVICE FROM?





Personal & Business Wealth Management Solutions

Your advisor will collaborate with in-house teams to provide you with personal wealth management and business strategies designed to complement one another. We know your first priority is your business and making it thrive, that's why we make you and your finances, whether personal or business, our top priority.

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- Sell-Side Investment Banking*
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Mariner Wealth Advisors does not provide all services listed in this piece. Some services are provided by affiliates and are subject to additional fees. Additional fees may also apply for tax planning and preparation services.

*Sell side engagements that include an offering of securities may include the engagement of our affiliated broker dealer, MSEC, LLC, and may include additional requirements not detailed herein.

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A Five-Step Cybersecurity Plan for Valuable Ventures

By JULIE TRACY and EDWARD KECK

When business owners prepare their business for sale, they typically work with an accountant to walk through specific financial items to ensure all the business's financial aspects are in proper order and the company is valued appropriately. An area some overlook, though, is ensuring the business' cybersecurity is in order. Let's look at five practical steps every business can take to improve its overall cybersecurity posture, especially those interested in M&A.

1. Develop a written information security (InfoSec) program.

This document demonstrates that your business is intentional about cybersecurity. It typically includes an acceptable use policy, disaster recovery plan, incident response plan, access control policy, etc. The InfoSec program can also provide parameters for handling data, such as encryption at rest and in transit. You can document the multifactor authentication (MFA) requirement at login for computers and cloud services. A written InfoSec program also defines who is responsible for the various aspects of the program. If your InfoSec program states that you will use password managers or endpoint protection on devices, you should provide company-approved solutions for these applications.

2. Ensure your cloud services are configured securely.

Many companies have moved to cloud services for ease of use, lower startup costs, a dispersed workforce and the desire not to have a data center in-house. An often overlooked area is cloud security. Consider using multifactor authentication at login, configuring users with the least privileges (users have access to only what they need), configuring logs and monitoring them appropriately, restricting access based on geolocation, backing up your data, and more, to ensure cloud security. Also, configure your cloud services to monitor if data is being downloaded. Threat actors will seek to steal your data, and if you don't have the means to detect logins and the movement of data, they can do so without your knowledge.

3. Develop a security awareness program for employees.

A security awareness program helps employees understand their role within the organization as it pertains to cybersecurity. Regular employee training should be a part of a security awareness program, with frequent and short training sessions to help keep cybersecurity top of mind for employees. You can also configure banners at the top of emails to identify those received from outside your organization. Phishing tests help employees learn to spot potential

phishing attacks and reinforce their role should they receive a phishing email. You can share recent news articles about cyber threats that have impacted other organizations and how to protect your business from such attacks.

4. Keep your systems patched and protected by endpoint protection.

If your systems are not patched and protected by endpoint protection, this provides a potentially huge attack surface for a hacker. If you are running outdated systems that can no longer be patched, not only is this a target for threat actors, but a potential buyer will immediately know that they will have to invest additional funds and resources to get your systems in line with their minimum standards.

5. Have an assessment of your overall information security program.

When preparing to sell your business, have a cybersecurity firm assess your overall program. This assessment should involve a review of your written InfoSec program, internal and external penetration testing and phishing testing of your employees. This assessment provides a great deal of confidence for a potential buyer. More and more buyers are requesting a deep dive into the cybersecurity of potential acquisitions, and it will put you in a stronger position if you know ahead of time what they might find as part of their due diligence. Finally, if your business has

ever been a victim of a breach, ensure it has been completely remediated and the assessment verifies this.

In today's digital age, protecting your business isn't just a box to tick; it's a game-changer for your company's value. By implementing a robust cybersecurity strategy encompassing a written InfoSec program, secure cloud services, employee awareness initiatives, system maintenance and assessments, businesses can fortify their defenses and enhance their appeal to potential buyers. As the landscape of mergers and acquisitions evolves, treating cybersecurity as a proactive investment becomes a shield against threats and a smart move for your business's long-term value and resilience.



To find out how Withum supports buyers and sellers through the merger and acquisition lifecycle, visit [Withum.com/ta](https://www.withum.com/ta) or contact Chris Passmore, partner in charge of Withum's Encino office at cpassmore@withum.com.

Julie Tracy (jtracy@withum.com) is manager of advisory services and Edward Keck (ekeck@withum.com) is partner and cyber and information security services practice leader at Withum.

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How to Supercharge Your Business Value in a Rollercoaster M&A Market

By STEPHEN ROSSI

If you are steering the ship of a family-owned business or the CEO of a private company, you've probably felt the twists and turns of the rollercoaster that is mergers and acquisitions (M&A), especially in these turbulent economic times. These six drivers are your guide to unlocking maximum value in the midst of uncertainty.

SETTING THE STAGE: THE ECONOMIC BACKSTORY

Today's economic rhythm is shaped by variables like interest rates, market dynamics, and global economic trends. It is a dynamic situation, but there's no need to worry. Grasping the nuances of the current market is essential, particularly if your company is considering a role in the M&A spotlight.

Recently, we've seen some M&A market moves – shifts in fund performances, fundraising trends, and global deal values. Fundraising in 2023 has experienced a decline compared to the past two years, but it remains healthy, and there's still a sizable stash of dry powder for middle-market players. Translation: despite economic acrobatics, there's still a sign saying, "Opportunities Here!" for businesses eyeing M&A ventures.

BOOSTING SHAREHOLDER VALUE: YOUR PERSONAL GUIDE

1. Build Your Castle: Create a Clearly Defined, Defensible Moat

Think of your business as a castle, and every

'As the M&A script keeps evolving, staying adaptable and prepared for future challenges is crucial. Engage with a team of seasoned advisors, strengthen your competitive armor, and showcase a path for growth.'

castle needs a moat. In M&A, that moat is your unique competitive edge. Proclaim it, fortify it – whether it's intellectual property, nifty technology, or exclusive contracts. Make sure it's the kind of moat opponents would think twice about crossing.

2. Squad Goals: Form a Powerful, Independent Internal Team

If your business were a rock band – you wouldn't want to be a one-hit wonder. Buyers get spooked by over-dependence on the lead singer, in this case, the owner or CEO. Assemble a knowledgeable squad of executives who can rock the stage even when you're backstage. A business establishes credibility when it's not a one-man show.

3. Mix and Mingle: Diversify Customer and Vendor Relationships

Have you ever been told not to put all your eggs in one basket? The same rule applies here. Too much reliance on one client or supplier can ring the alarm for potential acquirers. It's desirable to diversify these connections with longer contracts to foster a sense of mutual reliability, while also mitigating risks associated with abrupt changes in the market and the unforeseen challenges ahead.

4. Innovative Force: Identify Supportable Growth Opportunities

Now, we're looking to the future. To max out shareholder value, your business needs a roadmap for growth. Spot those organic and acquisition-driven opportunities, especially in industries where things are a bit of a puzzle. Show potential acquirers your map to growth, and they'll want to join the quest.

5. Financial Storybook: Maintain Clean and Accurate Financial Records

A potential buyer will delve into the narrative of your financial history. Make sure it's a fairy tale, not a horror story. Clean, transparent, and well-maintained financial records are key to initiating confidence. Surprises and financial plot twists can impact the deal's storybook ending.

6. Rally Your Counsel: Build a Strong Advisory Team

Just as you wouldn't confront an opponent without a reliable strategy, assembling a skilled counsel to lead the navigation is crucial. Partnering with investment bankers and M&A lawyers brings invaluable wisdom, negotiation prowess, and transactional expertise to the deal table. Creating a formidable team not only

instills trust and confidence among potential acquirers but can also drive increased value. For example, studies by the University of Alabama, Portland State University, and Northern Trust found sellers using investment bankers received a 25% valuation premium or 1.5 times higher EBITDA multiple, respectively, compared to sellers without advisors.

THE FINALE: NAVIGATING THE M&A ROLLERCOASTER

We are in an era of economic rollercoasters. So, how do you navigate the twists and turns of the M&A landscape successfully? Be proactive and strategic and address these key value drivers. By dodging red flags and embracing the chaos, your business can still shine.

As the M&A script keeps evolving, staying adaptable and prepared for future challenges is crucial. Engage with a team of seasoned advisors, strengthen your competitive armor, and showcase a path for growth. These moves aren't just steps; they're the rhythm of a successful M&A dance.

In conclusion, riding the M&A rollercoaster in a topsy-turvy market needs more than luck. It requires a well-thought-out strategy, and businesses following these principles are the rockstars set to thrive amid economic uncertainties.



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Sellside Mergers and Acquisitions

By R. CARTER FREEMAN, CMC

Is your company prepared to sell? Whether now or in the future, every owner should plan for an exit. JANAS supports owners so that they understand the dynamics of a sale and maximize financial results and personal goals. The earlier ownership recognizes that a sale must occur, the more value will result from a transaction.

Owner motivations to sell their companies vary widely. Most decisions include life changes. With rare exceptions, owner's most central focuses include financial results on sale, employee retention by purchaser, and legacy. During the preparation for a sale, the seller and his Investment Banker must determine how these, and other motivations affect the sale to fulfill objectives.

Enterprise value is key! The value of your company is a combination of financial results, appearance of the company and its operations, and 'the story.' The sale document known as a Confidential Information Memorandum describes the history and current condition of, plus prospects for the company. That 'story' will have a significant impact on the transaction.

JANAS has represented sellside clients since

1995. Our firm has the distinct advantage of professionals who have lived different lives – CEOs, legal counsel, CPAs, company owners, corporate executives. Added is Janas Consulting that supports its clients in preparation for a transaction when there are management, operational, or reporting issues and plans. Janas professionals can 'stand in the shoes' of our clients.

During the last two decades, institutional acquirers have learned that companies are about people. When companies change hands and management leaves shortly thereafter, operations usually suffer and the value declines. Magic of owner is gone. Having the owner remain for a longer period of two to five years with a rollover of a protected minority ownership results in a value of 80% as if the sale were for 100%.

The owner or owners enter into a management contract with ample compensation. Resale or execution of a put for the minority ownership provides a 'second bite of the apple.' Management continuity reduces risk for the acquirer. What management does make your company special.

A continuing concern for many owners is that they "sold to the wrong guy." Buyers will be either private equity or strategic. The 'JANAS

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Process' selects a number of interested buyers. The Story that we tell for the client is designed to have buyers appreciate your business.

The JANAS team supports firm clients in implementation of strategies that enhance profitability and adds millions of dollars of enterprise value to client companies. Our goal is to maximize value plus working with acquirers who understand both the financial and personal assets of the company.

JANAS clients have added millions and millions of dollars of value due to the advice and services provided by the JANAS Team. A principal focus of professional firms must be client

service. Owners should ensure that they have a mutual understanding relationship with all or their professional firm advisors.

We know that nothing sells better than a great story—and telling our client's stories in a compelling manner is especially important for privately owned companies. JANAS wisdom shows that the right story to the right buyer can improve deal results by as much as 50% – particularly for entrepreneurs who sell to substantial financial and strategic buyers. We help translate your story so that buyers recognize your special value.

Whether you need advice in charting a course for your company, have an unfamiliar problem to solve, or need analysis to bolster your argument, the answer is JANAS. We are a professional firm whose dedicated professionals and staff apply our life experiences to create solutions to client needs and challenges.

Plan, plan and plan.

Success will be the result.



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