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How Long Does It Take?

One of the questions we often get from business Owners ready to sell is "How long does it take?"

Unfortunately, there is no accurate answer. In our several decades of experience we've had deals get done in a few months, and one that took almost five years. The "few months" is about as unusual as "almost five years". More typical is six months to 18 months. Why? Lots of things need to happen.

The process starts with putting together a plan customized to confidentially market your business. We have trusted contacts, accounts with business promotion websites, monthly newsletters to potential buyers, emails, strategic buyers etc. where we garner interest in your business. We get requests for additional information and provide it after we have a profile from the buyer and the buyer's endorsed agreement with the terms of our non-disclosure agreement. Upon receipt, we provide the information and it's hopefully reviewed in a short period of time. If there is interest, they always have questions and will require additional information. Conference calls often take place, and visits between buyer and seller happen. Hopefully the buyer will learn enough to

Burned-Out Owner Ruins Business Value

All business owners run the risk of "burnout." With the stress of being the go-to person, knowing "the buck stops here," it's likely to occur, but you need to recognize the symptoms and take action to address the reasons.

Burned-Out Owner Ruins Business Value

If the burn-out syndrome is not corrected and continues over an extended period of time, the business will suffer and its value may degrade significantly, possibly beyond salability.

Unfortunately, this is another obstacle that is more common than not. It occurs quite frequently.

The solution to burn-out is to recognize it early on and take the appropriate steps to enable you to become re-energized about the prospects of your business like you were in the early days of your ownership. If you determine that you cannot recharge your batteries, you are better off selling before the business slips too far downhill.

Following are some of the symptoms that may indicate burn-out:

- Lack of enthusiasm for the daily activities you perform at your business
- Tired of doing the "same old, same old"
- An overwhelming feeling that things are beyond your control
- Carelessness leading to mistakes/missed opportunities
- Physical symptoms: exhaustion, moodiness, irritability

Solution: Identify the cause of the stress and address it:

make an offer which has to be negotiated and agreed to.

When a preliminary agreement between buyer and seller is reached, a "Letter of Intent" is signed. The next step is buyer due diligence. This is when the buyer learns everything they need to know to satisfy himself/herself to feel comfortable to complete a purchase. At the same time, the buyer should be arranging financing and beginning to have purchase documentation prepared. All of this typically takes 60 to 90 days from a Letter of Intent to Closing.

Other factors can slow the process. Each buyer and seller will have accountants and attorneys and they need to be involved. The buyer almost always has a lender that needs to approve financing for the deal. Appraisals of Assets, Real Estate (if part of the transaction) and the Business are very often a non-negotiable lender requirement. Many uncontrollable events can delay the process including vacations, and other priorities of **all the participants. It all takes time!**

The sale of a business process is working with a list is formalizing what needs to be done and getting it done. It's not simple! Every deal is different. What a fellow business owner that sold his/her business has mentioned to you does not always apply to your individual situation. We as Advisors to either the seller or buyer can influence (maybe) but not control the timing. In over three decades we've not experienced everything, but we've seen a lot.

A first "call of action" has to be from you. Contact us to discuss

If you're bored, why? For instance, if you are performing mundane tasks that prevent you from spending time managing and growing your business, delegate the mundane tasks, or hire an assistant.

Same old, same old? Change it up. Do something ... like committing to implementing a new marketing program.

If you are working way too many hours, take some time off. You probably need physical and/or mental rest to recharge your batteries. Hire additional help or delegate more of your responsibilities.

Is a non-productive employee or a difficult customer creating your stress? Make the tough decisions - replace the employee and send the customer to your competitor so you can concentrate on obtaining better customers.

Businesses with burned-out owners often begin a downhill slide

When it comes to business, if you are not moving forward, you are moving backward. It is absolutely necessary to keep pace with the competition. In today's economic environment, sometimes it's a struggle just to survive. You have to keep moving the ball forward. Owners who are burned out for an extensive period of time are unable to keep the business moving ahead and usually find their business on a downhill slide. Owners must recognize their burn-out symptoms, identify the causes and quickly eliminate their source of stress. If owners don't have the desire to address the issues, it's best to sell while the business still has value.

Are you experiencing burnout? Have you identified the causes? Can you eliminate the source of stress? Can you re-energize your enthusiasm for the business? Overcome the Power of Inertia and do something today to address your burn-out symptoms.

As the adage goes, "if you fail to plan, you plan to fail."

NEXT ISSUE

OWNERS WHO TRY TO SELL THE BUSINESS THEMSELVES

CONTACT US

the possible sale of your
business – without cost or
obligation.

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