

March 2024

New Listings:

We are actively talking to several sellers. As we obtain information we will add to our list.

Client 4210 Fitness Training:

For over three years this Business has been providing fitness training for its Members using scientifically proven methods. Located in a high income area, it has been named the best fitness studio with the best trainers in the area. It's profitable and has a huge opportunity to grow. Financing is available.

Please contact us if you or someone you know might have an interest.

Buyers seeking Acquisitions:

Buyer 7258:

Having recently sold a business, our buyer is seeking another business to acquire. Location preference is SW Ohio, No. KY, or SE Indiana. Revenue target is over \$3 million, with recurring revenue and growth potential with an EBITDA target margin of at least 10%. Desire to retain key management and employees. Most types of businesses will be considered, including multi location franchisees, distribution, manufacturing, or service.

Importance of Due Diligence

We recently interacted with a potential buyer for a business we had for sale. The buyer declined to pursue the acquisition. The interaction reminded me of my past business dealings and particularly of an experience I had a long time ago when I was a banker.

My department provided loans and equipment leases for businesses. I had just hired a talented young man to find prospects for our loans and leases. He came to me and introduced a possible new customer. I began to ask questions when he stopped me and asked me if I was looking for new customers or if I was looking for reasons "NOT" to do business. I stopped and thought a minute and apologized. I immediately turned my focus toward ascertaining if the new opportunity would be good for the bank. That experience long ago was certainly a moment of learning for me.

The potential buyer mentioned above was part of an investment/private equity group. Their first step in Due Diligence was to send two individuals to meet the owner of the company for sale. One individual was the General Manager of the acquiring business, and the other was an accountant. It was to be a dinner meeting and a visit to the business the next day. The dinner meeting happened. The accountant left before the visit to the business the next day.

Shortly after the visit, we were told that the Group was very interested and would be meeting to prepare a Letter of Intent. Fast forward four months and after many calls and emails we finally learned the reasons why there was no Letter of Intent. We were told that the Group leaders declined to provide a Letter of Intent. The reason? It was because the accountant didn't support the potential purchase because he didn't trust the financial numbers as there was no way to validate them.

It's easy to find a reason to not proceed with a transaction and to ultimately kill a possible deal. It's also necessary to explore the opportunity with the focus of whether a transaction could make sense.

Buyer 7252:

Looking for an add-on for a growing SW Ohio area business. Target is a company manufacturing material handling, conveyors, packaging, processing things. A distributor could be considered, anything in the B2B Industrial sector will be considered.

Buyer 7254:

Looking for an electronics or computer manufacturer or potentially an IT related firm to acquire.

Please contact us if you know of a business that is or could be for sale.

Contact Us!

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Look at all aspects and the reasons why it could work, and yes, reasons why it might not. The negatives should not be overlooked, **but that should not be the primary purpose of the first visit.** In this example, the potential buyer walked away from a potential lucrative deal without effectively exploring the to be acquired businesses financials. This deal could have easily been made had effective due diligence been performed.

Whether you own a business and are considering selling, or you are a buyer looking to own a business, we'd love to hear from you and discuss what you hope to accomplish. Please get in touch – there is no obligation, and we are confident we can assist you.