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# THE HEIM GROUP

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*Middle Market Investment Bankers*

## The Wrong Way to Exit Your Business – Part Three Negotiating a Sale without Professional Representation

Continuing the discussion of ways not to exit your business, here is another real-life example I came across recently.

A manufacturing company with revenues of \$25 million and EBITDA of \$6 million would normally be a very attractive purchase for most any type of middle-market buyer. In this case, Jack and the other two owners were approached by a customer who expressed interest in buying the company. They went forward with negotiations with no benefit of representation. They figured they knew the buyer and everything would work out fine and fair. They failed to realize that buyers usually have their own best interests at heart.

They tried to utilize their CPA and attorney to help with the sales process. Unfortunately, while both of these advisors are very competent in their respective fields, neither the accountant nor lawyer have any transactional experience, nor are they aware of the nuances of selling a business.

Needless to say, the deal fell apart and a lot of time, energy and money were wasted on a deal that went nowhere.

The good news is that misadventure opened their eyes to not only the desire to sell their business but to the need to hire an experienced M&A advisor this time around. I was able to sell their company soon after and all ended up happy.

The Heim Group, Inc. has the experience to walk you through to a successful and profitable close. Please give me a call. I am here to help! **Tina Marino 760-271-8331**