
THE HEIM GROUP

Middle Market Investment Bankers

The Wrong Way to Exit Your Business – Part Two

Unexpected Health Issues – No Exit Strategy in Place

We are continuing the discussion of how not to exit your business by relating some real-life scenarios I have come across over the years – names changed, of course.

Monica had built for herself a fun and profitable multi-million dollar service and product business helping corporations show appreciation to their clients. Her company was growing by leaps and bounds.

Since the business was still just a few years old, Monica had put no thought at all into an exit strategy. She was so busy growing the business she didn't have time to think about the end of her ownership.

As happens often, the unexpected happened. Her husband had a stroke. He was left debilitated and unable to do his job at his wife's company. Monica had no replacement for herself, even though she had administrative, warehouse and other staff on board. She had not yet groomed someone to someday take over her duties. The business limped along while her husband convalesced as she spent most of her time with him.

They weathered the crisis and Monica was once again back in the driver's seat. The company was stabilized and even growing again. One year later, her beloved husband had a heart attack. Once again Monica was not prepared; there still was no management succession or exit strategy in place.

Sadly, she practically gave the business away to one of her vendors – for pennies on the dollar. This never should have happened.

We at The Heim Group, Inc. are experts at guarding your business while taking you through to a successful close. Please give me a call, no matter when you are thinking of selling your business. I'd be more than happy to discuss your options, at no charge to you. **Tina Marino 760-271-8331**