

Exiting Your Business: A Guide to the Process

A PRESENTATION DESIGNED FOR BUSINESS OWNERS & THEIR ADVISORS

Featured Speaker: Dyanne Ross-Hanson, President: Exit Planning Strategies, LLC

About the Program:

- There are **9.5 million business owners** of established businesses, over half of whom are **50 years old** and older. *Axiom Valuation Solutions*
- **71 percent** of small and mid-sized business owners **plan to exit their businesses within the next ten years**. *Deloitte & Touche LLP*
- *Institute for Independent Business* states that **75% of the typical Business Owners net worth** (estimated @ \$5.7 trillion according to the *Federal Reserve*) **is tied up in their company**.
- **"84% of Business Owners state that proceeds from sale are important to their financial independence"**, according to the *International Consulting Firm, ROCG*.
- **78%** of these owners have **no idea how to handle ownership transition** according to *Price Waterhouse Coopers, Marquette University and others*.

Every business owner will leave his/her company at some point, voluntarily or involuntarily. Most business owners are so consumed with the day to day operations of their businesses that they rarely take the time to develop a purposeful exit/succession plan. As a result owners become reactive vs. proactive, miss strategic opportunities, undervalue their companies, pay too much in taxes and often leave money on the table upon a sale. Transitioning a business is generally **the** most significant financial event in a business owner's life, and the reality is that less than one in four has developed a purposeful plan. While there are numerous reasons cited, one prominent one is that owners simply don't know where to start. This program will help educate owners (*and their advisors*) on a **proven process** to develop a **written** Exit Plan and highlight common mistakes to avoid.

The **7 Step Process** to be discussed will include:

1. **Identifying Exit Objectives:** Departure date, desired successors, and required income need.
2. **Identify Business & Personal Financial Resources:** Professional business valuation is it necessary? Enterprise or discounted value, which is appropriate?
3. **Maximize & Protect Business Value:** Focus on (EBITDA), key employee incentive and retention.
4. **Ownership Transfer to Third Parties:** Pre-sale planning and pricing, key management retention, the competitive auctioning process.
5. **Ownership Transfer to Insiders:** Two issues are taxes and insiders generally have no money. How to develop a plan that minimizes income tax to buyers, maximize income to seller.
6. **Business Continuity:** Buy Sell Agreements; The most important business document you will sign. Stay Bonus; what is it?
7. **Personal Wealth & Estate Planning:** Coordinating your Exit Plan with your Estate Plan.

About the Presenter/ Biography:

Dyanne Ross-Hanson is President and Founder of Exit Planning Strategies, LLC. Working in an advisory capacity since 1981, Dyanne is focused on helping business owners achieve their exit planning goals by making more informed, more strategic and more tax efficient choices. Her mission is to act as an unbiased advocate on behalf of her clients and their families who require highly specialized, objective and comprehensive advisory services.