



# MAKING EXTRAORDINARY EXITS POSSIBLE

PREPARING FOR AN EXTRAORDINARY EXIT

## Contact Us

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# CONSIDERING AN EXIT? KEY CONSIDERATIONS:

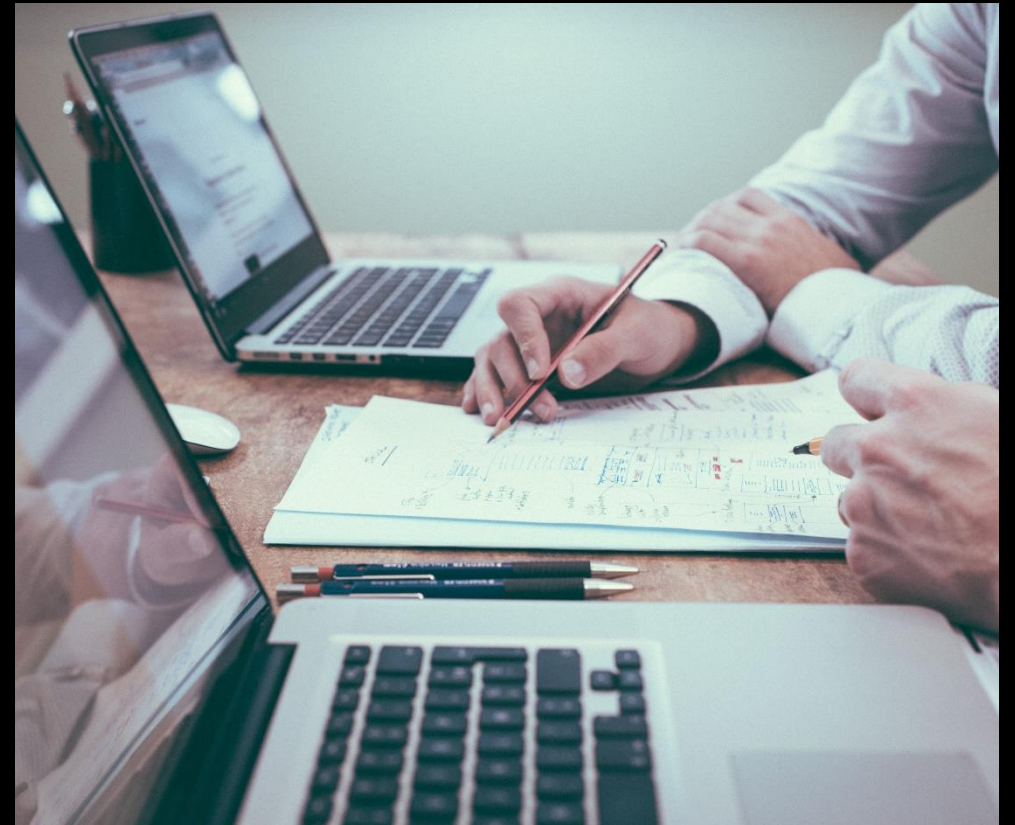
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- What is driving the decision for an Exit? 
- What does the ideal exit look like? 
- What are your required and preferred outcomes? 
- Do you have the success team in place - internal and external? 
- Are your financials in order? 
- Have you recently been approached by buyers? 
- Who do you think could be a strategic buyer? 

# STRATEGIC VS. FINANCIAL BUYERS

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- Financial investors (private equity and others) pay as little as possible – with the intent of positioning assets to maximize value on their own pre-planned exit. Buy low and sell high (to a strategic).
- Strategic investors/buyers place more value on the competitive advantages of a business, which can be leveraged across their own business and channels and/or vice versa. How do the combined businesses transform one or the other or both? What is the real strategic value beyond just an industry multiple.



# STRATEGIC VS. FINANCIAL BUYERS

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- Traditional financial services and i-banks teach us all that M&A is a financial, numbers driven, following industry multiples
- Financial buyers follow relatively strict models and are efficient. They buy low and sell high, ideally selling to a strategic
- Good deals...buy side and sell side are made for strategic reasons
- **Great** deals are underpinned by strategic integration driving value creation for the Buyer ... that sometimes are shared with the Seller
- **To sell to a strategic** takes a **collaborative, creative and entrepreneurial approach** to identify your real value to the strategic, beyond traditional industry multiples and traditional synergies
- How does a strategic buyer view your business? **Think through their lens.** What strategic value do you create or transform for them?

# IDENTIFYING STRATEGIC INVESTORS

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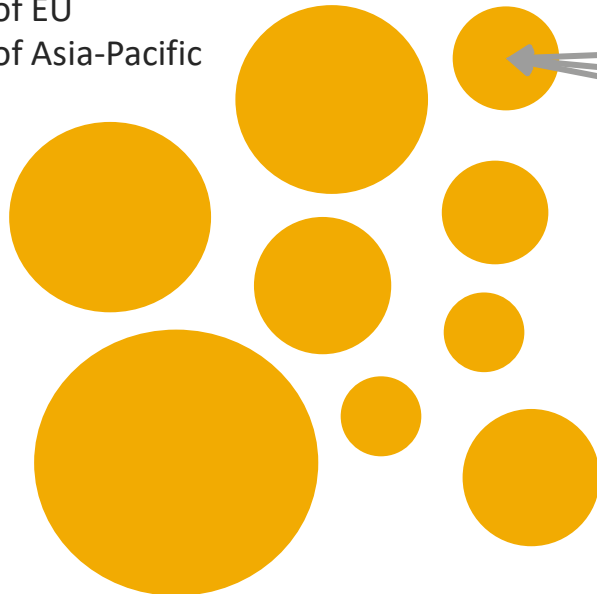
- What are the “Rembrandts in the Attic”? – i.e. with additional capital, what’s possible? what capabilities, customers, markets do you have that a strategic buyer needs?
- Think through categories of strategic buyers and thesis for each:
  - ✓ National & international adjacencies
  - ✓ Competitors
  - ✓ Suppliers
  - ✓ Customers
  - ✓ Institutionals
  - ✓ Specialized firms in the space
  - ✓ Agnostic firms
  - ✓ Experienced & generalists
  - ✓ Conglomerates
  - ✓ Etc.
- Cross-pollinate categories to see if new ideas come forward

# MAXIMUM FINANCIAL VALUE

Strategically positioning/valuing a business with several international strategic buyers.

## ENTREPRENEURIAL & FAMILY BUSINESSES

75% of US economy  
95% of LATAM  
85% of EU  
85% of Asia-Pacific



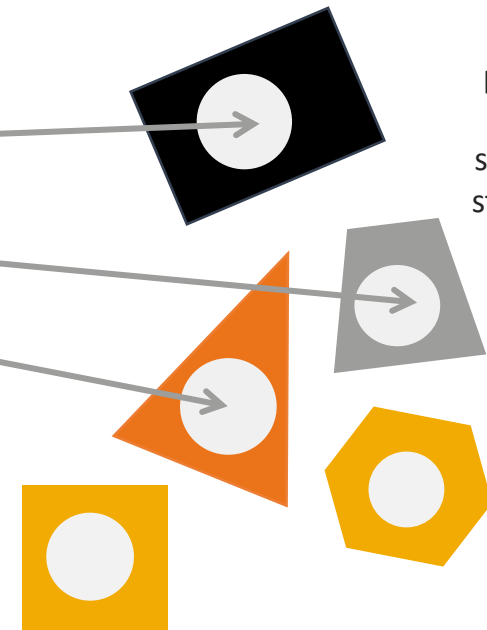
## FINANCIAL BUYERS

Including:  
VCs  
PE funds  
merchant banks  
hedge funds  
special opt funds  
alt. asset inv funds  
equity buyout firms  
etc., etc.

Exploit the 6Ds:  
Death, Divorce, Disease, Disability,  
Debt, Disenchantment

## STRATEGIC BUYERS

Strategically positioning/valuing your business with several international strategic buyers (soft auction)



# EXTRAORDINARY EXIT SUMMARY

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- What is driving the desire to sell all or a majority of your business?
- What are your required and preferred outcomes?
- What makes you a compelling acquisition for a strategic or financial buyer?
- What are your Rembrandts in the attic?
- Identify strategic categories/buyers and strategic financial buyers
- Run a competitive process
- It's not about a typical industry multiple (i.e. 6-8x EBITDA, or 1x revenue). It's about the real strategic value of your business to a strategic buyer.
- Achieve an Extraordinary Exit – both valuation and required/preferred outcomes

# THE THREE PILLARS OF STS

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## MAKING EXTRAORDINARY EXITS POSSIBLE

### EXPERT GUIDES

We're entrepreneurs helping entrepreneurs – we've been in your shoes. We're here to guide you on the journey to your Extraordinary Exit.



### SELLING TO STRATEGICS (STS)

Achieving maximum financial value in your transaction through Selling to Strategics.

### SUCCESS TO SIGNIFICANCE™ (STS)

Helping create legacy potential through our Success to Significance™ program, supporting charitable donations worldwide.





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THANK YOU

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