



Exit Planning Information & Education for America's Business Owners

The Exit Planning Review™ is an opt-in, bi-monthly newsletter published by Business Enterprise Institute, Inc.

PROVIDED BY:



This issue is provided to you by Weatherby & Associates, PC Attorney, Hank Weatherby.

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Weatherby & Associates, PC
Counselors at Law
Helping Families Preserve and Protect Assets and Values

Issue 16

Finding The Right Advisor

Your job as a business owner

"My investment advisor suggested that I sell my company to an ESOP. Is that a good idea?"

"My estate planning attorney recommended that I begin giving my business to my children. What do you think?"

"I'm getting tired of running my business every day. My accountant thinks a sale to a third party is a good idea. What's your opinion?"

Sales to key employees, Employee Stock Ownership Plans, transfers to children and sales to third parties can all be excellent exit strategies. But if questions like these are the foundation for your Exit Plan, you may be like the car buyer who asks if the Mercedes, BMW or Lexus is the best vehicle. We admit to owners who ask which particular exit path is best for them that, "We have no idea."

While owners may not be keen on paying us for this response (or non-response), it is the only honest advice to give an owner whose Exit Plan is obviously adrift. When an owner asks questions out of the blue like the ones above it can indicate that his advisors lack may experience as well as lack a coordinated approach to helping their business owner clients. They have not asked the questions necessary to start the owner on the path to a successful business exit.

As advisors, unless and until we know more about an owner's company and what goals he or she wants his Exit Plan to achieve, we cannot possibly know which route is best. It is the job of your Exit Planning advisor to help you plan and implement your exit strategies by asking the questions that help you to clarify your goals. Experienced Exit Planning advisors ask the right questions so that you know where you are going, who is going to help you get there and the route you are going to take.

We recommend that you begin your Exit Planning journey with two things: 1) a road map and 2) an experienced guide. The road map describing an Exit

Planning process you already have: this e-newsletter, BEI's web site and materials available there. Finding and using experienced advisors may not be as easy as reading a newsletter. Of course, if an advisor has provided you this newsletter, you already know one advisor who can help you with Exit Planning.

Who should be on your Advisory Team?

An Advisory Team should consist of the following professionals:

- I Financial/Insurance Professional
- I Business/Estate Planning Attorney(s)
- I CPA and
- I Business Consultant (as needed).

If a third party sale is likely, you should also have a:

- I Transaction Intermediary (Business Broker or Investment Banker) and
- I Transaction Attorney.

Why should I have all of these Advisors?

First, no one professional has all of the answers. The issues you face in exiting your company are complex and will require input from professionals in a number of disciplines. For example, an accountant skilled in Exit Planning brings a host of skills (especially tax minimizing techniques) to the process that your attorney may not possess and vice versa. In addition to being skilled in a particular practice area, each advisor should also be familiar with, and better yet, experienced in Exit Planning and should know how to work for you as a member of an Advisory Team.

Lawyers and CPAs are expensive. Won't this Team cost me more money?

Assembling and meeting with your Advisory Team not only facilitates the exchange of information and ideas but it can reduce your costs by increasing the efficiency of each advisor. Instead of your advisors proceeding in a disjointed and inefficient manner, have a single meeting with all advisors present to coordinate everyone's efforts.

How do I find Team members?

Many business owners are familiar with many of these professionals and have worked with them individually in the past. What you may not have done is assembled them as a team charged with a common goal: helping you to leave your business in style. No one advisor can guide you through this process.

You can begin assembling your Team by contacting the person who sent you this newsletter.

*Subsequent issues of **The Exit Planning Review™** discuss all aspects of Exit Planning. The provider of this Newsletter ([Hank Weatherby](#)) offer you unbiased information about what you many need to know — **How To Run Your Business So You Can Leave It In Style™**.*

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The example provided is hypothetical and for illustrative purposes only. It includes fictitious names and does not represent any particular person or entity.

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