

IS IT TIME TO EXPAND OR TO EXIT?

Is your business at a point where you have to make a decision about the company's future? Perhaps you now need capital to grow or to expand through strategic acquisitions. Or perhaps you want to arrange for succession of younger family members and/or transitioning yourself out of the business, while liquidating some of your equity.

Whichever path you choose, you will need capital to accomplish it.

One way to raise growth capital is to borrow it. You bear all the risk yourself, and may have to offer personal guarantees for the loan. If you are planning an exit strategy you would be burdening the company with additional debt as you transition out.

Another approach is to liquidate your equity by selling to a strategic buyer. That will require you to give up all of your equity in and control of the company.

There is a viable alternative to these approaches: you could partner with a Private Equity Firm. This has several potential advantages:

- You can take a larger portion of your equity out of the company, while a smaller portion will remain in the business and can grow in value.
- You can diversify your liquidated assets and increase your wealth.
- The Fund usually supplies all the capital needed for additional growth, whether internal organic growth or strategic acquisition.
- Over the 5 to 10 years the Fund will keep the business, it will (with its greater access to capital) be able to make many more acquisitions than you might have been able to do alone.
- Your remaining equity can grow, leveraged by the Fund's continued capital investments.
- You will participate in the management and future growth of the company.
- Typically, your partnership with the Fund gives you "two bites of the apple" because there are two liquidity events associated with that partnership:

- First when you initially sell a majority share of your equity.
- Then after 5 to 10 years of ownership the fund will sell the business and your minority share could be worth several times its original value.

ID Consulting USA is not a business brokerage or investment banker. We are an intermediary.

We work with Private Equity Funds, High Net Worth Individuals and Strategics, with which we have long-standing relationships as a trusted source of deal flow for them. We have direct relationships with the decision-makers of these firms.

We bring together many of the pieces for Recapitalizations.

Our Private Equity Firms pay at least fair market value for their transactions. In some cases they pay a premium over and above that in order to facilitate a deal.

We work only with firms that have a high degree of professionalism. There are many Private Equity Funds and Investment Firms in the marketplace, but only a few measure up to our standards, and these "best of breed" are the firms that we deal with. We "cherry pick" the best firms based on their investment philosophy, as well as their financial capability, integrity and ethics.

These firms have a proven track record of getting deals done, and meeting the goals of the business owners they partner with. They provide solutions and resources that optimize value.

They work closely and respectfully with business owners to provide solutions optimized to the individual business so that a mutually beneficial transaction can be crafted.

They have proven capital resources and a clear investment philosophy, concentrating on existing viable businesses and dealing in fair market value. They also have management and operating experience in the industries in which they invest.

Business transactions of this type have multiple "moving parts", including such intangibles as personalities, individual expertise, differing levels of knowledge, perspectives of different players, and communication between them.

These intangibles can impede or even stop a deal from being consummated. We create interdisciplinary management teams experienced in keeping deals on track for every transaction (*i.e.* on a deal by deal basis).

We assist you with ongoing communication. Problems that arise are dealt with immediately. We involve management and industry experts to keep the transaction going smoothly. This has resulted in many deals being saved and closed.

Every business has a life cycle. It is important for the owner to recognize the critical point at which they must partner and grow or exit. Not making a correct decision at this juncture can be costly to the business and the owner.

We can help you determine what situation your business is in regarding need for capital and/or liquidity, and whether you need to partner and grow or to arrange for succession of the business or to exit.

WE CAN HELP YOU. PLEASE CONTACT US:

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