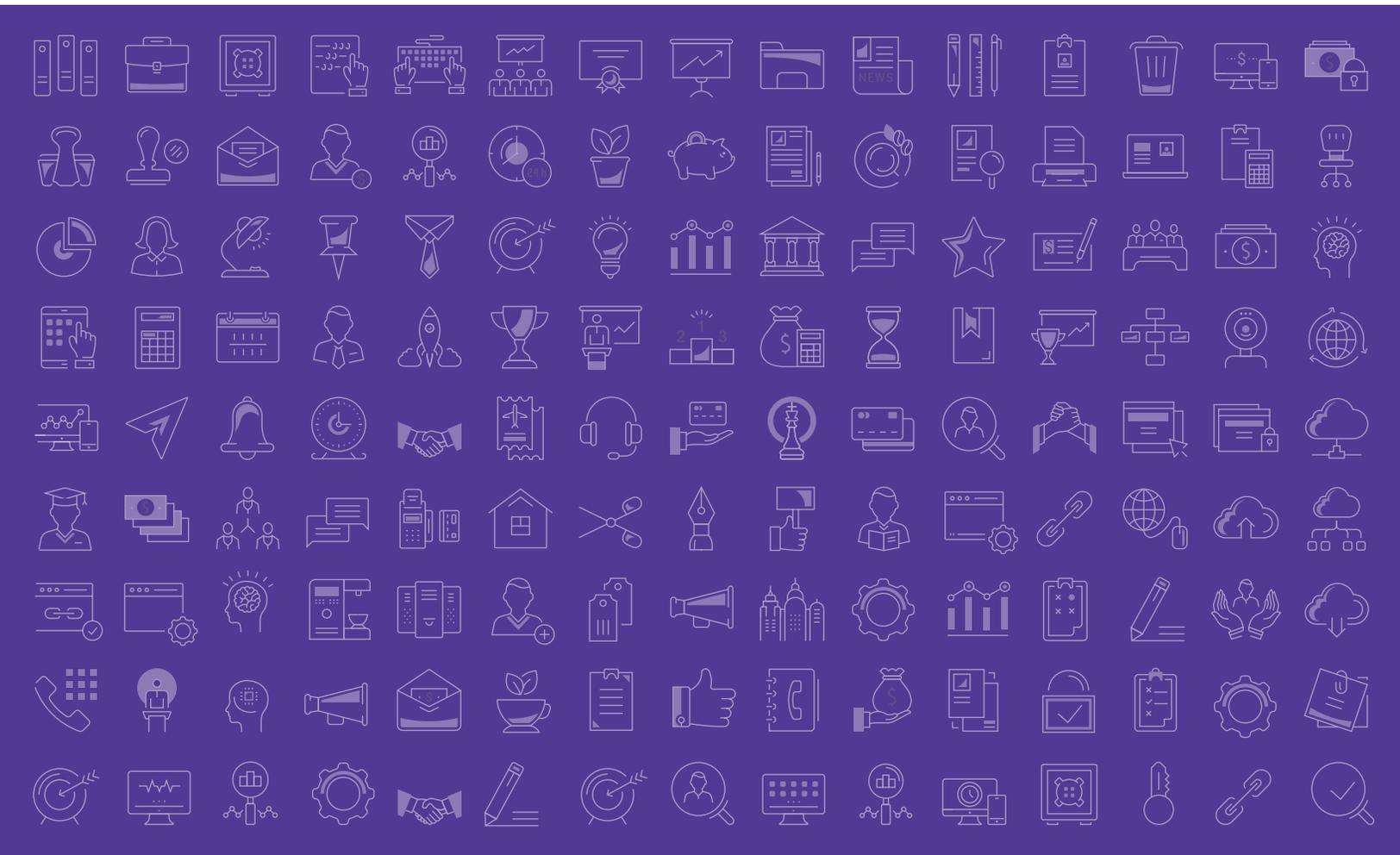


ARE YOU READY TO SELL OR BUY?





M & A

ARE YOU READY WHEN AN ACQUIRER CALLS ARE YOU READY TO SELL OR BUY

As an owner of a specialty niche, commercial staffing, or business solutions firm you must feel at times like a target with a large bulls-eye on your back. Do you feel like you are just more prey for the earnings growth hungry, industry consolidators?

Acquirers and their representatives are contacting you to see if you are interested in learning how selling your firm and joining the prospective buyer's management team will make you healthy, wealthy and wise or at least more secure in your ability to compete in the current, more complicated marketplace.

The best way for you to respond is with a courteous thank you for their interest and if you have not thought much about it, let them know. We would not suggest you agree to provide them with any information about your firm, until proper non-disclosure agreements are signed and the potential buyer has been thoroughly qualified as being suitable for you and that they have all the necessary resources to handle this proposed transaction. Find out about them. What is their strategy, their acquisition experience? Many trusting business owners inadvertently expose their firm and staff to potentially damaging risks prematurely. Don't jump too quickly.

The interest expressed in your firm, is a clear indication that you have built a valuable asset. For many owners this is their most valuable tangible asset. This should be extremely flattering, a clear validation that all that hard work and caring has commercial value at the end of the day. Many owners tell us that the first time they seriously think about this option was after contact from an interested buyer. Perhaps it is a subject worthy of consideration prior to an inquiry from a buyer.

YOUR OBJECTIVES

It is valuable to explore and prioritize your goals for your business. This can help you determine if you can achieve your objectives on your own. Like Maslow's hierarchy, we know your current needs have probably evolved over time. If you require a large firm to partner with to reach your goals, you will have a better idea of the type of support you will need to obtain and if you can get where you want to go, in a time frame reasonable to you.

TAKING STOCK

This following question can help you to focus your analysis and has helped some owners determine at what point and under what circumstances it makes sense for them to pursue or entertain the option of selling or merging their business. Some owners find the gap between their goals and their time frames can only be significantly shortened by becoming an acquirer themselves. Sometimes it is less expensive to buy than to build it yourself. The answers to the following questions may help you gauge where you are.

1. What do you want to accomplish from owning your own business?

- A good living
- Security for you and your family
- A canvas to express yourself
- Create a better mousetrap
- Become very wealthy
- Build a Regional, National or International business
- Other

Are you working effectively toward your goals?

2. How big a business do you want to build?

- Annual Revenue _____
- Number of Locations _____
- Other measurements _____

3. In what time frame?

- How many years: _____

4. What is your strategic plan to accomplish these goals?

- Build New Offices
- Offer new Services
- Buy
- Sell
- Organic Growth
- Other

5. What resources will you require?

- Human:
- Financial:
- Physical- facilities, equipment, systems and infrastructure:
- Less expensive Workers Comp, or other insurances, VMS:
- Greater Brand Awareness:
- Other:

Knowing the answers to these issues ahead of time can help you plan your exit strategy. **Many owners will work toward a financial or operational goal** rather than some arbitrary time period in the future. The best strategies are always planned. If you would like to explore these areas, find an advisor you can trust, one who hears your needs and has a record of proven performance to achieve your goals.

Sam Sacco and Brian Kennedy operate R.A. Cohen Consulting, a trusted M&A Advisory service that caters exclusively to the staffing industry. Since 1991, we have advised on hundreds of successful transactions.

Call us at 910.769.4057 or 416.229.6462 respectively.

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