

For Boomer Aged Business Owners

# **MOVING FORWARD**

Why You're Stuck and What To Do About It

Eric Gilboord

[www.EricGilboord.com](http://www.EricGilboord.com)

[www.WarrenBDC.com](http://www.WarrenBDC.com)

**CONTENTS**

**DEDICATION**

**INTRODUCTION**

**Like Having A Bag Over Your Head**

**Thinking About My Future, Are You?**

**Let's Get Started**

**Who Else Will Benefit From This Book?**

**I Can't Write A Book More Important For You**

**4 Ideas For Boomer Aged Business Owners**

**DIY Vs DIFY - Do It For You/With You**

**Are You Really Ready To Sell?**

**Here's What Can Get In The Way**

**10 Common Triggers For Selling A Business**

**When You Don't Know What You Don't Know?**

**Time To Start-Down**

**THE CURRENT MARKET**

**Are You Planning For The Future?**

**Would Vs Could**

**You Can't Do Both, Run And Sell A Business**

**Should I Stay Or Should I Go?**

**Current State Of The BABO World**

**It's Not Ok To Wait Any Longer**

**BUYERS and SELLERS**

**What Sellers Are Thinking**

**What Buyers Are Thinking**

**Challenges Buyers Face With Sellers**

**7 Main Types Of Buyers**

**As A Seller You Come In Two Flavours**

**You Have A \$ Number You Need To Sell For**

**The Why In The Equation**

**I Want To Be Irrelevant, And So Should You**

**YOU MIGHT BE FEELING THIS WAY**

**You're Ready When You're Ready**

**Work Life Balance**

**You May Already Be In Change Mode**

**Are You Running Out Of Runway?**

**Taking The First Step In Transitioning**

**I Just Deleted Someone From My Database**

**Are You 'Running On Empty'**

**Playing With Your Grandchildren Enough?**

**YOU NEED TO DO THIS FOR YOU**

## MOVING FORWARD

**Decide What You Want?**

**Standing In The Way Of Your Happiness?**

**When Complacency Misses Opportunity**

**Change Yourself, Change The Business**

**Be On The Same Page As Your Spouse**

**Being Married Makes You A Better Entrepreneur**

**Thank You For Making Money**

**Ignorance Is Not Bliss, Living Your Dream Is**

**Let's Talk About Procrastin...**

**Work Less and Accomplish More**

**YOU NEED TO DO THIS FOR THE BUSINESS**

**Partners, Can't Always Live With Them**

**Be On The Same Page As Your Partner(s)**

**Get The Best Out Of Everyone**

**Revisit The Back Burner**

**Where Would You Be Without Customers?**

**The Elephant In The Boardroom**

**Getting Your Ducks In Row**

**We All Need Guides And Cheerleaders**

**12 Tips For Increasing Your Company Value**

**Working With A Team Successfully**

ERIC GILBOORD

**Avoid Common Business Selling Mistakes**

**YOUR FUTURE**

**Share Your Profits, Knowledge**

**And Experience**

**Consider Buying Your Competitors**

**NEXT STEPS**

**Forget About Selling Your Business**

**ABOUT THE AUTHOR**

# MOVING FORWARD

## INTRODUCTION

## Like Having A Bag Over Your Head

My thoughts, tips and recommendations in this book may not apply to everyone, but they are all valid and should be considered by any Owner hoping for a successful sale or transition of your company.

I've worked with hundreds of Owners of Small and Medium-sized businesses for over two decades. Some successful and others not so much. As an Owner of a few of my own companies I believe I've earned the right to comment on running a business and the inevitable selling, transitioning or closing of a company. Doesn't really matter what you call it. It still means you're no longer involved the way you used to be.

In the early days you tend to feel like the whole concept of running a company is overwhelming and some days it feels like running around with a bag over your head. Every day there are new challenges. A few steps forward, a few steps back. Some days are electrifying while others are humbling. But it got you up every day and kept you alive.

If you worked hard, the economy was with you and the industry you chose had legs you may have built a viable company, taken care of your family and put a little away for retirement.

Now you find yourself in the enviable, to some, or not so desirable position to others of being boomer age (that's you if you were born between 1946 and 1964) and facing a number of important decisions. What do I do with the business? Who could take over? Do I even want to sell? Where do I go for help? etc.

## MOVING FORWARD

For many of you it can feel like you just put the bag back on and you're running around in the dark again.

Whatever you choose to do, this will be the most important decision you have ever made for the company, your family and yourself. Unfortunately, you're likely less prepared than you've ever been in your life for the choices ahead.

It's a gray world out there in the universe of buying and selling companies. Until recently the standard position of valued advisers was, it will take 5 years to get your company ready, find a suitor, put together a deal (that is if it didn't fall apart) and ease the transition for the new Owners to your staff, customers and suppliers. At least that was the party line.

Today you can construct a deal in many ways and with a variety of Buyers. Money upfront, later or both. Short time frame or long transition. Outright purchase or partnership. Earn out and or shares in the Buyers company. Partner or employee purchase. Partial sale. Competitor or strategic Buyer purchases you. Fund or individual Buyer acquires you. You continue to run the company with or without authority. You work under contract and have no final say.

Just remember there are no real shortcuts. For every shortcut you take, there is a price to pay. Don't be surprised if it ends up being about 5 years though. There will be loads of decisions to make. Many successful Owners have tripped and fallen during the selling process. While others have done well. Which one will you be?

## Thinking About My Future, Are You?

Yes, I know it sounds like a confession is coming. The irony is not lost. I went on a wonderful holiday and spent a lot of time thinking about my writing over the years via blogs, online and offline articles and in newspapers and magazines. I've also had great experiences speaking to small, medium and large groups as well as many one on one conversations with several hundred business Owners over the last 22 years.

Public speaking and writing started out several years ago as a way for me to share interesting and hopefully valuable learning that I'd picked up along the way. Initially I spoke and wrote about marketing tips and tricks. Swung back and forth between personal motivation, practical business tips, and straight out selling my services. All the while appealing to pretty much anyone with a small or medium-sized business.

Over the past year or so I purposely transitioned my subject matter into a vehicle to speak almost solely with Boomer Aged Business Owners. To my surprise far fewer readers dropped out and I guess the interest was broader than I first thought. With boomers getting older and more folks becoming boomer age my audience has been consistently growing.

My intention is to continue providing worthwhile thinking and suggestions to improve your personal and professional lives. Pretty much all the conversations I have today are with Boomer Age Business Owners. Remember, if you are 50+ years old you are a boomer.

At the end of each conversation I have with BABOs, sometimes in email form, I am told the same thing over and over again. Thank you Eric, you've given us a lot to think about. You've opened our eyes up to many things we didn't know we had to deal with.

## MOVING FORWARD

As a business Owner your personal and business lives, for years, have intersected from the time you woke up until you hit the pillow at night. It's unreasonable to think you could just switch off without some assistance. So making a decision to do just that is of great importance and not to be taken lightly. Those around you, family, friends, trusted advisers and business associates need to understand what you're going through. More importantly you need to understand what is happening to you.

So why am I writing this book? The answer is simple. There are far too many of you who are completely unprepared for what is coming. As each year goes by the problem grows nationally, globally and unquestionably in your own family and company.

The average age of a boomer in Canada and the United States is closer to the mid 60's. As you creep up on your late 60's or early 70's the decision to move forward and do something about your business will be made for you.

Poor health will affect either you, a spouse, a parent or a partner. The industry in which you operate is changing and you could find yourself on the wrong side of change. Competitors are coming and they are well funded, younger, smarter and stronger. That makes you really vulnerable.

So what does all this mean? You need to act now, not tomorrow. It's the night before exams and while some of you have prepared properly, the statistics are overwhelmingly against the remaining 90% who have not prepared and will inevitably struggle to transition their company. Or as some are seeing today, sell for pennies on the dollar or just give up and close the door.

At WarrenBDC our goal is to assist as many Owners and their families as we can, to move forward into the next fulfilling phase in

## ERIC GILBOORD

their lives. And no, I do not mean travel and play golf for the duration. That gets old really quickly.

So I'm asking you to take that first step. Read this book, talk to those closest to you and move forward into your future. Yes it's more frightening than you can imagine and way more rewarding than you ever dreamed possible.

# MOVING FORWARD

## Let's Get Started

This book has been written specifically for Boomer Aged Business Owners. As a BABO you're likely going through a challenging time in your life. One of the biggest events you have to face today, as a Boomer Aged Business Owner, is to sell or transition out of your company. The first stumbling block is taking that first small step forward.

You've run the company your entire adult life or at least a good portion of it. The norm for you is a personal life that revolves around going into the office. Sometimes more often than you or your spouse like. When you're not at work you're thinking about the company. It's been a great ride filled with ups and downs. But you wouldn't have it any other way.

Realizing a successful sale or transition is key to your future. Many Owners are counting on the sale as all or part of their retirement plan. You will need money and I don't know anyone who really knows how much. So erring on the side of more is the better bet.

Many Owners don't know what they don't know. Even fewer of you have any sense as to what you'll do with the post Owner years. So consequently you may be the least prepared for the single largest sale you'll ever make.

Unfortunately, Owners are waiting far too long to take this step and your businesses are becoming less desirable to Buyers every day. You don't realize that no movement is the worst thing you can do. Not preparing for a sale will almost guarantee you a negative experience.

## ERIC GILBOORD

It's time to shed some light on transitioning out of your company. 'Moving Forward' was written as a wakeup call. A splash of cold water on your face. The end of the ride is coming and you better be prepared.

Owners need to clearly understand you are not alone. The 'selling' choices available to you are numerous and as varied as your individual needs.

I want to help you understand it's not a black or white choice of selling or not selling. There is in fact a huge gray area that sits between selling and 'dying with your boots on'. Your company may be worth X today the way it is. But by making some changes and improving the value of the business it could help you to sell for considerably more.

There is no question you will need help. A strong team of experienced outside professionals can take a challenging selling situation and turn it around. After all, if you could have done it yourself you would have already.

This book is about both the emotional and practical struggles Owners are having.

At the same time 'Moving Forward' will serve to help your family members and Buyers better understand these challenges from the Owner/Sellers' perspective.

## MOVING FORWARD

### Who Else Will Benefit From This Book?

In addition to BABOs, their families, and Buyers there are also many trusted advisers who will gain valuable insights. Their services in Law, Accounting, Wealth Management, Banking, Merger and Acquisition, Business Brokering, and more Coaches of all types than ever will be a great aid to the Owner going through transition.

A big challenge exists today among many advisers trying to understand and help their BABO clients. As a trusted adviser, you likely have clients stuck on agreeing whether or not it's time to start transitioning their company. You try talking to them but they don't listen.

Maybe you're a past Owner looking to help other Owners. Or you want to buy into a business or two yourself and dealing with other Owners has been a challenge. Hopefully you're one of the lucky few Owners who prepared in advance for the day you would exit your company and have already successfully transitioned.

Or possibly you're a business Owner who underestimated the complexities of selling their own company. Things didn't go quite as well as you hoped and now you're looking for a way to improve your current financial situation by coaching other Owners.

In any case, you're hoping to help Owners transition. Ideally, reading this book will give you some insights into the BABO and how to successfully work with them.

## I Can't Write A Book More Important For You

This is NOT the definitive book of exits. On the contrary, it's written with the sole purpose of getting BABOs to move forward with their exit plans. One step at a time.

I have found the biggest challenge today for Boomer Aged Business Owners is in taking that first small step toward selling your company. You have questions but likely don't know where to turn for the answers. Realizing a successful sale or transition is key to your future. As hard as this is to believe you will not live forever. So you need an action plan.

The economy is not ready for the record number of business Owners who will just close up shop one day and put their employees out of work.

Imagine if you just close down your small business. What happens to your 20 employees? Now add vendors who rely on your business. They could be hurt. Some of your customers will migrate elsewhere. But, depending on your business, other customers may be quite tied into your company. Transitioning to a new supplier could be difficult for them.

A decision about your business could trigger negative results in your company as well as others. Let's be conservative and say 30 families will be adversely affected by your decision to close down.

If you follow the thinking and 9 other Owners do just what you are contemplating, 300 families could be hurt. Or 100 Owners impact 3000 families. If only 1,000 Owners, out of the millions of boomer Owners, did the same thing it could result in 30,000 families being hurt. Where is the loyal long serving 57 year old worker going to go if

## MOVING FORWARD

you close down? Or your family member who relies upon you for work.

**If you don't prepare properly, the fallout will be far worse than you think:**

1. Your spouse/family will be left to run or sell the business. Your spouse may be forced to work with your partner. That goes two ways. How would you like to be in the position of working with your partner's wife? Sobering thought isn't it.
2. Company value will drop dramatically because you are not there to run it. In many cases you are the business. Want to find out if that's true?
3. Your employees may end up out of work.
4. Customers are not quite as loyal as you think.
5. Competitors will be circling your customer list within minutes.
6. In case your big plan is to die with your boots on. Good luck. You will likely be leaving a legacy and a mess. They'll definitely be talking about you. Maybe just not in the way you hoped.

**If you don't want this to happen you have 2 choices:**

1. Sell now, knowing it will be significantly harder than you thought, and you will realize far less payment for the business. The terms of the sale may not be exactly what you were hoping for, or even close. You'll have little choice and be forced to be content with the deal however it turns out.
2. Start getting your business ready for a successful sale or transition and have the future you always thought you could have. Become a company desired by Buyers. Sell for the amount you wanted or possibly far more. Sell on your terms.

## ERIC GILBOORD

You can't properly do #1 or #2 without a plan and a team to implement it. It's really not much more complicated than that.

Recently, we've been seeing more activity on social media and experiencing an unusually high increase in both first visits and repeat visits to our corporate website for Warren Business Development Center Inc. [www.WarrenBDC.com](http://www.WarrenBDC.com). We can link this to, trusted advisers directing their clients to us, some Owners slowly waking up, our own database mining and the power of social media.

You are not alone and the competition for finding a Buyer is just heating up. The sooner you get started, the more time you will have to increase the value of your business and the better your exit will be. It's a Seller's market, if you're ready.