



## *Increasing the Value of a Company Takes Effort But it becomes significantly easier if you apply the right leverage*

Retirement is a complex issue for many business owners because the lifestyle of their retirement is tied to their company's value.

At ASG Partners, we've been helping business owners sell their companies and realize their retirement goals for almost 40 years – so we know a few things about growing business value.

It takes effort, but it's like using pulleys to lift something heavy: you can multiply your results by applying the right leverage in the right places.

Based on firsthand experience with hundreds of companies, ASG Partners has developed a unique perspective on the leverage points that will help multiply your company's value.

And if you are a few years from retirement, you can start adding a few well-placed pulleys now so that your company will be valuable enough to meet your retirement goals when you're ready.

If you are contemplating an ownership transition, we'll help you increase your company's value by identifying places to apply leverage.

**Specifically, we'll help you assess the following areas, among others.**

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***ASG Partners has more than 30 years of experience selling manufacturing, distribution, and service companies with annual revenues between \$3 million and \$100 million.***

**Have you developed a transition plan?**

Business owners who develop and execute a transition plan can significantly increase their companies' value – perhaps by 20-30% or more.

**Are you confident in the market value of your company?**

Your company may represent a significant portion of your net worth. Surprisingly, many business owners do not know how much their company is worth and/or the factors that enhance or detract from value.

**Do you understand the tax consequences of a sale?**

Taxes might take a significant bite out of your proceeds, but they might not depending on how the company is held and how the transaction is structured.

**Are your sales concentrated among a few customers?**

Loyal customers contribute to value, but revenues concentrated among a relatively small number of customers could significantly impact an acquirer's perception of risk.

**How accurate/consistent are your financial statements?**

Financial statements take on new importance during any transition. Now may be the time to assess and/or change your accounting practices to ensure that your financials stand up to increased scrutiny.

**What clues about the future can be gleaned from the historical trends?**

Your revenue, gross margin, and profitability trends say a lot about your company's current strength and future potential. In fact, those trends have more impact on timing and value than the "market conditions," so make sure you are properly reading the signs.

**Can you quantify the predictability of your earnings?**

Strong recurring revenues and repeat customers improve predictability. Consequently, you can increase your company's value by measuring, monitoring, and improving these operational metrics.

**Does the company have a management succession plan?**

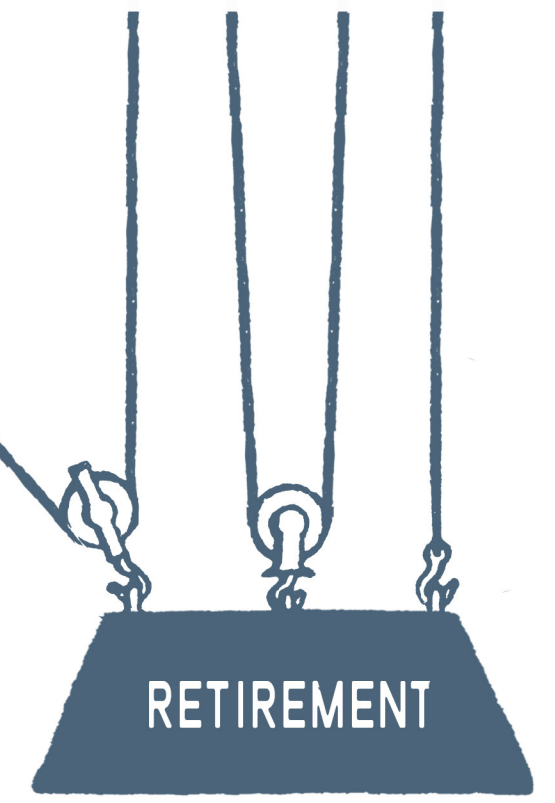
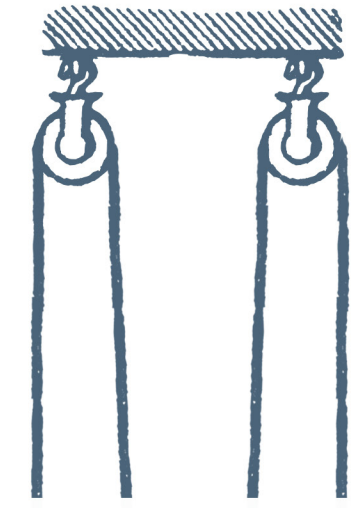
A smooth transition hinges on reducing your day-to-day involvement while developing the team capable of successfully running the company after your retirement. Management succession doesn't happen overnight, so the key is developing your plan.

**To what degree do your suppliers affect your company's success?**

Your supplier relationships may be just as important as your customer relationships. You can increase your company's value by assessing your supply chain and developing / executing plans that improve or protect your strategic position.

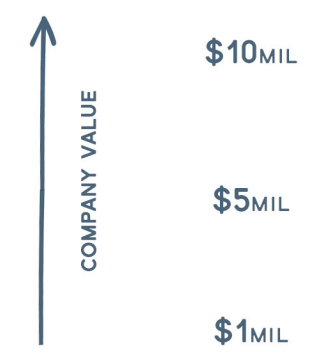
**Are you well-positioned from a real estate perspective?**

Your real estate can be a strategic asset even if you lease it, but you might significantly increase / diversify your net worth by purchasing real estate for your company.



**RETIREMENT**

**FINALLY**  
**Do you know what the company needs to "look like" to achieve your valuation goals?**  
Company values depend on many factors. The first steps toward achieving your goals are developing a picture of how the company needs to look, and developing a plan to get there.





## ABOUT ASG PARTNERS

ASG Partners consults with manufacturing, distribution, and service companies and represents the owners when they are ready to sell. We specialize in companies with annual revenues between \$3 million and \$100 million.

*To learn more about ASG's consulting service contact a principle at [info@asgpartners.com](mailto:info@asgpartners.com)*



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