

Role & Responsibilities Defined

Adviser

Once a client has made the decision to sell his or her business and engages the Vann Group to represent the business for sale, our role as your **adviser** begins.

As your adviser we have many roles and are responsible for making sure virtually every aspect of the sale process runs as efficiently and effectively as possible. Our first role is that of an analyst. As an analyst, we look at the business and financial performance objectively because we recognize that a buyer will be focused on finding as many weaknesses in the business as possible. By identifying these in advance, we can ensure that they are addressed or explained.

Analyst

Our role as an **analyst** inevitably focuses on the question of value and price. Our second role then is that of an appraiser. We put together a business valuation, one that will utilize many of the traditional methodologies and approaches of valuation. However, traditional valuation doesn't take into account the realities of the market and financing conditions. In developing our opinions of value, we factor these into our assessment—a valuation that *doesn't* reflect market conditions has little value when pricing a business for sale.

With our valuation estimate in hand, our next step is to discuss it and come to a consensus on the value. We will never represent a business for sale if we are not aligned on the value range and do not have an agreement on pricing/structure matters. Doing so will only serve to provide a frustrating and ultimately fruitless experience for everyone involved. Assuming we come to agreement on the value/price range, our role transitions from financial analyst to the role of a marketer.

Marketer

In our role as **marketer**, our initial efforts are focused on developing a profile of the ideal buyer for the business. Each type of buyer has its own unique characteristics and traits. Our job is to define the likely class of buyers, craft our messaging to that audience and deliver it in the proper medium and context.

Not too long ago, our standard protocol was to develop detailed books known as "Offering Memorandums", which were responsible for communicating the specific information and message we wanted to deliver to a buyer. In today's world, we are inclined to develop marketing materials that are reflective of the type of buyer we are looking to target. While a financial buyer might get a package that looks more like a traditional Offering Memorandum, a strategic buyer might get customized slide decks. In targeting individual buyers, we might develop a slide deck that includes multi-media elements and focuses on the benefits of ownership and the opportunity that the business presents.

Salesman

With the buyer profile identified and the initial marketing materials developed, we then transition to the role of **salesman**. We begin by identifying the best way to reach the targeted buyers and develop an approach to introduce the opportunity to them. Once we've developed the strategy, we will begin to contact buyers in the hope that we will attract their attention and get them to begin the process of assessing the company. Once they have expressed an interest in learning more, a Non-Disclosure Agreement is executed. In certain circumstances we may, prior to executing an NDA, prequalify them further by reviewing resumes and acquiring financial statements.

With the prospective buyer prequalified and under the NDA, we provide them with the materials we have developed for presenting the company. If the prospect decides to learn more, we facilitate an initial meeting between you and the prospect. Because of the importance of confidentiality, we generally hold this initial meeting off site at our offices or, if touring the facility is desirable, we hold it at your location after hours so as to not attract attention from employees. This meeting is generally more of a get-to-know-you type of meeting with some broad discussion of both business and personal matters that inevitably evolves into answering some of prospect's specific questions about the business.

Advocate

Once the prospect has determined that he or she wants to consider making an offer, our role transitions to that of an **advocate**. We are responsible for promoting the company by providing additional information, answering questions and finding solutions to overcome the inevitable objections and criticisms that a buyer will raise. This role will continue throughout the consideration and offering process until an offer is accepted or rejected and the buyer decides to walk away.

Intermediary

With an offer accepted, our role again transitions to that of a traditional **intermediary**.

- ▶ From a basic definition perspective, an intermediary is a person who acts as a link between people in order to bring about an agreement.
- ▶ From a practical perspective, our role is more complex because an intermediary in the sale of a business wears many hats. We are problem solvers, trouble shooters, ego managers, sanity checkers and the people responsible for ensuring that everyone, from accountants to bankers and lawyers stays focused on the number one task at hand—getting to close.

That is the easiest way to sum up the roles and responsibilities of the Vann Group. Our job is to get you, the seller, to the closing with a deal you're satisfied with. It's not an easy process as it will have many ups/downs, but it's one that we manage well.