

Announcer (3s):

Welcome to the Maximize Business Value Podcast. This podcast is brought to you by Mastery Partners, where our mission is to equip business owners to maximize business value so they can transition their business on their terms. Our mission was born from the lessons we've learned from over 100 business transactions, which fuels our desire to share our experiences and wisdom so you can succeed. Now, here's your host CEO of Mastery Partners, Tom Bronson.

Tom Bronson (35s):

Hi, this is Tom Bronson and welcome back to Maximize Business Value, a podcast for business owners who are passionate about building long-term sustainable value in their businesses. This podcast is part of our series with speakers at the Business Transition Summit. The B t s, as we call it, is coming up on May 2nd, and it is for business owners to come and learn how to maximize the value of the business so that you can get the most value for your business and begin to start thinking about planning that ideal business transition. You know, the sad fact is that a hundred percent of every business on the planet will eventually transition.

Tom Bronson (1m 17s):

Some will transition by design and others will transition by default. And it, it's my opinion that that de designing the ideal transition is way better than, than having to sell a business or exit it by default. So come to the Bus Business Transition Summit and learn how you can design your ideal transition. Registration is now open@businesstransitionssummit.com, that's transitions with an s business transitions summit.com and go register for that event. In this episode, I'd like to welcome our guest, Dan Vermeer.

Tom Bronson (1m 59s):

He is the managing director at Corporate Finance Associates and d CEO's Investment Banker of the Year, which I am so thrilled about. He's a great guy to know. Dan is one of our featured speakers at the upcoming Business Transition Summit, and he's gonna be talking about the topic of mergers and acquisitions. We'll give a little bit more detail about that in just a second, but as this is a return appearance, welcome back to Maximize Business Value. Dan.

Dan Vermeire (2m 29s):

Thank you Tom. It's certainly a pleasure to be here. Thanks so much for having me.

Tom Bronson (2m 33s):

I'm so thrilled to, to have you, not only here, but also to be speaking on this topic, something that you know a lot about. So tell us a little bit about corporate finance Associates are cfa.

Dan Vermeire (2m 46s):

Well, you bet. CFA is an investment banking firm in the lower middle market. It's a 65 year old firm, about a dozen offices in the US and about 4,000 transactions under our belt. So a lot of history there. We are a company that works. We work for business owners to help them sell all or part of their business or perhaps

raise capital with a financial partner.

Tom Bronson (3m 15s):

Awesome. And you work with businesses all, do you have any specialties? Do you work with businesses all over?

Dan Vermeire (3m 22s):

You know, within our organization there are a dozen different specialties ranging from energy to metal fabrication. I tend to focus on technology deals cuz that's most of my background, but we have a lot of guys with a lot of specialties.

Tom Bronson (3m 38s):

Awesome. C f A, that's a great organization and you make it better. Dan w you are speaking on the session titled Understanding Mergers and Acquisition Process for Middle Market. And so that's the, that's the topic of the event or that, that you're speaking at, at the Business Transition Summit. Tell us a little bit about your session.

Dan Vermeire (4m 1s):

Yeah, you bet. Well, I'm, I'm very excited for the Business Transition Summit. I think we are overdue to have a wonderful event like that here in Dallas. So I'm excited about that. I'm particularly excited about my session of course, and we're gonna focus on the process for m and a in the middle market. Mainly I'm gonna talk about the secret sauce that we bring to that process to help business owners get a premium deal. And how they do that is by having a process that brings multiple offers to the table at the same time, so you can pick and choose and get the best terms and get a premium for your business.

Dan Vermeire (4m 43s):

It's that competitive bidding process still in a highly confidential environment that, that really makes that happen.

Tom Bronson (4m 52s):

And that is very different from Main Street. Not only we've got another topic folks talking about Main Street, but I, to me that's the key one of, one of my sayings, I get calls from business owners all the time, oh, I got this unsolicited offer, can you help me analyze it? And my response all the time is, if you have one offer, you have no offers.

Dan Vermeire (5m 13s):

You

Tom Bronson (5m 13s):

Have, you need to have a competitive, confidential, competitive process so that you can bring multiple potential buyers to the table. Because if you have one, chances are it's gonna go away. Am I, am I wrong about that?

Dan Vermeire (5m 29s):

I get calls all the time. People say, Hey, I, I think I know who the buyer is, or I've got a buyer talking to me, you know, can you help me with this deal? And I'll say, yeah, the first thing I'm gonna do to help you is go get three or four more. Right. So we have something to compare against, you know?

Tom Bronson (5m 43s):

Yes. That's, that is excellent advice. So what can business Transition Summit attendees expect to learn from your session?

Dan Vermeire (5m 52s):

Well, good question. I hope they learn that there are a number of different types of processes and, and learn which type of m and a process is best for them. I'll also be talking a lot about how to be prepared for the process so that you have the right expectations and you've got all the information available that we're gonna need to go through the process. And then a third area we're gonna talk about is when is the right time to seek a process, right time for you, right time for your company, right time in the industry, those types of things as well.

Tom Bronson (6m 29s):

Those are all great things for, for folks to learn at that session, but it's clear to me that you're passionate about this and I know you well and so I know how passionate you are, but why are you so passionate about this topic?

Dan Vermeire (6m 44s):

You know, normally I'm so quiet in the room, but yeah, I'm glad that there is a little bit of passion in this. You know, like you, or like most of us at C F A, I own my own business for a number of years, bought and sold companies in that business, had to make rent every month, you know, had to make payroll every month. So I, I feel like I, I can walk in the shoes of the business owners and really relate to them very well. And so now, you know, 25 years later with a career in m and a I, I think I know what I'm doing now and have enough experience with it, but I really enjoy helping the business owners achieve their goals and helping them do that safely through the various pitfalls that come up in an m and a process.

Dan Vermeire (7m 35s):

I kind of think of myself as a, a guide that's gonna help them through the journey.

Tom Bronson (7m 41s):

That's a, that is a great analogy. And, and although you've sort of given us a few hints at it, what really qualifies you to be a speaker on this topic?

Dan Vermeire (7m 51s):

Well, just getting to know you Tom, you know, makes me feel qualified. But, you know, like I said, I've been doing it for 25 years and,

Tom Bronson (8m 0s):

And is that because I'm so unqualified?

Dan Vermeire (8m 4s):

No, it's just some of your, some of your stuff has rubbed off on me. You know, I feel like I, I learn something every time I'm around, but been doing it a long time, 25 years. It is something I'm passionate about. It took me a long time in my life to find something that I really, really enjoyed. But I've, I've been involved in nearly a hundred transactions, seen a lot of things work, a lot of things not work as a firm. We feel we're very qualified, we're heavily licensed by the government. We carry FINRA licenses from the s e c and we have our own broker dealer.

Dan Vermeire (8m 44s):

I'm also a certified exit planning advisor or what they call a cpa. I don't practice that much, but it allows me to be more helpful in those conversations and be helpful to the business owner's team a year or two even before they're ready for a transaction. So feel like I can provide value there as well.

Tom Bronson (9m 6s):

I love that. I, as you know, I'm also a cpa and so I think that, that it gives us a common language to be able to speak when we're talking about transitioning businesses. And I, and I really like that. So there are, your session is one of our 16 concurrent sessions, but, but you'll be competing against three other sessions that are going on at the same time. So let's get a little competitive. Why do you think business owners should come to yours versus one of the other sessions?

Dan Vermeire (9m 40s):

Right. Well, there are a lot of sessions, but if you read the title and the, the understanding of each one, you can see that not every session is for every business owner, right? So they're gonna have to choose one of these anyway, right? My session, I think is imperative for any business owner that has, let's say more than 5 million in revenue in the company. And they're starting to think about an m and a process. They need this information, they need educated. And so I think this session is one they would not wanna miss.

Tom Bronson (10m 17s):

That's awesome. I, you know, as I commonly say, someone asked me the other day, called me out on this

and asked me, where is the evidence of this? And it's just my experience that the average business owner would tell you if you ask him what's your exit strategy or when do you plan to exit? The answer is almost always three to five years. But the problem is, is they say that for about 17 years before they actually do something about it, right?

Dan Vermeire (10m 44s):

That's right. You know, for me, Tom, it's amazing how many people call me up and they wanna start into a process right now, you know, something happened in their life or in their, their family's life and they've decided now's the time that they want to do something. And I, I get involved, I take a look at the business and we study it a bit and I, I can suggest some things that maybe are low hanging fruit that they could do to help maximize their business value. But they hadn't been involved in, gone to the Summit, they hadn't read your book, they hadn't done anything to, to get more prepared. And it's a little bit of a shame cause they, they say, no, I'm, I gotta sell right now, I'm ready to go.

Dan Vermeire (11m 27s):

But you can see where they're leaving a little bit of money on the table sometimes by not having even done some of the basic preparation. You know,

Tom Bronson (11m 34s):

I I, I agree with you on that. As I, as I commonly say, it's never too early to start planning for those things because if, if they, you know, and, and I'm big fan of, okay, you're not selling your business for 15 years. Get to know an investment banker or two investment bankers can be wildly valuable to you as you grow your business. Cuz they've got access to all kinds of data and information about your industry and can be very helpful. And you build that relationship and they'll help you understand the things that you can do that'll have a major impact on the value. I hate it when people leave value on the table.

Dan Vermeire (12m 16s):

So Yeah,

Tom Bronson (12m 17s):

You're right.

Dan Vermeire (12m 17s):

Yeah, that's, it's surprising. You know, we're actually all pretty nice guys, you know, and, and no reason not to get,

Tom Bronson (12m 23s):

Well most of you are,

Dan Vermeire (12m 26s):

But you'd be surprised how many people, they don't want to talk to me. They don't wanna take a call from me, they don't wanna be seen with me in public. Mainly because they're worried that, you know, their staff or their customers or the competitors might hear a rumor that they're beginning to think about selling the business. But I'm pretty good at, at confidentiality, if I go to a business, I, I sign in with a fake name. I don't ever use my company name or my name. I don't leave cards around. We normally meet at our office, you know, we can be very discreet and very confidential, but it, it's certainly worth the time to Yeah. Spend a few minutes to just get some guidance on some of those things.

Tom Bronson (13m 7s):

You know, I, I talk to business owners many times. A lot of baby boomer business owners, you know, nearing 70 or over 70. I don't want my people to know. They already know.

Dan Vermeire (13m 18s):

That's right. That is probably true. Yeah.

Tom Bronson (13m 21s):

They already know, you know, as I was working with a, with a client going through our process and I said, so what do your people know? He said, well, the senior guys pulled me aside recently and said, yeah, we know you're trying to sell the business. I said, and that's okay, right? I said, what, what did they say about whether or not they'd stay? And the answer was, Hey, we just want to keep doing what we're doing and if somebody else will let us do that and keep paying us, then we'll keep doing that. I, okay, well that's, that's, that is a great employee to have. And by the way, they all know,

Dan Vermeire (13m 57s):

No doubt, no doubt.

Tom Bronson (13m 58s):

So you've got a lot of wide varied background, you know, having owned your own business and, and done all of these transactions. If there was one piece of advice that you could give to business owners about building long-term value in their business, what would that be, Dan?

Dan Vermeire (14m 19s):

Well, you know, before starting an m and a process, like we've talked about it, it get educated, get plugged in, utilize some of the resources that are available, attend the summit and go to all of the sessions and meet all of the people. Cuz there, there's lots and lots and lots of information, especially from people that have been there and done that and can really help you avoid pitfalls. But I would say that, you know, for the m and a process itself, probably the one piece of advice is, is what we talked about before. And that is run a process that allows you to get multiple options, multiple buyers proposals on the table at the same time in a

confidential environment so that you can pick and choose and you have control in the process.

Dan Vermeire (15m 6s):

You have leverage in the negotiations. That's probably the very most important thing.

Tom Bronson (15m 11s):

Darn it, you should have ended with, you know, just come to the business transition summit and I would say winner winner chicken dinner. Cause you're the first person that said that. And that was the most,

Dan Vermeire (15m 22s):

I went too far,

Tom Bronson (15m 23s):

Didn't I? Then you had to go junk it up. No, that is, you are absolutely right. Both of those things are, are great pieces of advice. Any business owner would be well served to listen to both of those things. All right, so your bonus question, we ask a bonus question on this podcast. All right. And your bonus question is, if you could get your 18 year old self to even listen to you, what advice would you give your 18 year old self,

Dan Vermeire (15m 50s):

You know, the 18 year old self, if you think about it, that's just coming outta high school, going into college. And that's a very, very dangerous time for me. But I think the word you used before was passion. And I would say that I, I did not have something in front of me that I was passionate about. And I think that would be the one thing if I could possibly have, have suggested that to myself at that time was take the time to find something that you can be passionate about and, and get plugged in, find a mentor and maybe even listen to the mentor.

Dan Vermeire (16m 34s):

You know, find a group or an organization that is into that kind of thing and plug into that and get involved and really get something to be focused on.

Tom Bronson (16m 45s):

That is great advice. And if we could give our 18 year old cells, we get a time capsule and go back, we'd all be in better shape, wouldn't we? No, we probably still wouldn't. Listen, you're right. I never thought about it. That is a dangerous time in all of our lives, isn't it? So

Dan Vermeire (17m 5s):

You bet.

Tom Bronson (17m 6s):

So how can our viewers and listeners get in touch with you?

Dan Vermeire (17m 9s):

Yeah, you bet. Look me up on LinkedIn. Go to our website, it's cfa w.com or call me up. You know, my office here in Dallas is 2 1 4 5 4 0 8 1 1 2 or probably better yet, just come to the summit and, and let's spend a few minutes there.

Tom Bronson (17m 34s):

Perfect. Dan, this has been a great conversation. Thank you for coming back on the show with us today.

Dan Vermeire (17m 41s):

You bet, Tom. Thank you.

Tom Bronson (17m 43s):

You can find Dan Vermeer at, at CFA or yeah, C F A W law c l always wanna say C Law. It's CFA CF A w.com. Boy, what a mouthful, right? It's not CFA

Dan Vermeire (18m 0s):

World. CFA Worldwide is what that stands for. And we actually have another dozen offices over in Europe and some in Asia and Mexico. So we, we call the website CF a w

Tom Bronson (18m 12s):

Oh, you guys are all over the place. That's right. You can find Dan on LinkedIn as he said, but you can always reach out to me and I'll be happy to make a warm introduction to my good friend Dan Beyer. This is the Maximize Business Value podcast where we give practical advice to business owners on how to build long-term sustainable value in your business. Be sure to tune in each week and subscribe wherever you found this podcast so you'll never miss another episode. Until next time, I'm Tom Bronson reminding you to register today for the Business Transitions summit@businesstransitionssummit.com, so you can learn how to maximize business value.

1 (18m 57s):

Thank

Announcer (18m 58s):

You for tuning into the Maximize Business Value podcast with Tom Bronson. This podcast is brought to you by Mastery Partners, where our mission is to equip business owners to maximize business value so they can transition on their terms, learn more on how to build long-term sustainable business value, and get free value building tools by visiting our website, www.masterypartners.com. That's master with a y mastery partners.com. Check it out.



Tom Bronson (19m 34s):

That was perfect. I wouldn't make any changes on.