

How We Helped Brady Electric Harvest Value, Evaluate Opportunities and Transition Seamlessly

Since 2007, Brady Electric, Inc. had been quietly growing year after year. Along with that growth, came the typical business growing pains and a plateau in sales. Being vacationers to warmer climates, the business owners decided that it was time to change their lifestyle.

STARTING THE TRANSITION PROCESS

The initial plan was to finish contracted jobs and close the doors within 12 months. Knowing that it would disrupt their employees' lives was the hardest pill for them to swallow.

For the owners, it seemed that walking away from the business was all they could do.

HOW WE HELPED

The Anders Business Transition Planning team worked with the business owners to come up with a game plan on building the value of the company in a short period of time. More importantly, we decided to help with the harvesting of that value by talking with electrical subcontractors that either wanted to enter the local market or were already established in the market and wanted some extra growth. This plan would ensure their employees would not have an interruption in their career.

BUILDING VALUE

First, the Anders Business Transition Planning team took a look at their business as a whole.

With the idea that we had a limited amount of time, we helped them tweak a few things such as inventory management, aging accounts receivables and vendor and employee contracts. The owners reached out to other subcontractors that they knew were looking to get into the local market.

EVALUATING SALE OPPORTUNITIES

Next, we assisted in the review of the first offer from a company on the other side of the state, ran some analysis and presented the pros and cons to the client. Not feeling comfortable with the offer terms and the company culture, the client reached out to a closer competitor. After running the analysis, the client felt comfortable in proceeding. Our team helped with the review of the allocation of purchase price, non-compete agreement, earn out terms and the related tax implications.

THE OUTCOME

From the initial idea of just shutting the doors and walking away with nothing, to the final purchase price, the client was extremely satisfied with the outcome and felt it was well worth the additional time and effort. They were able to increase the value of Brady Electric, evaluate buyers and make a profitable sale, and ensure a seamless transition for their employees.

The Anders Business Transition Planning team can create a customized transition plan for your business to help maximize value while aligning business, personal and financial goals.

To learn more about our services or arrange a meeting with our team, please contact:
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