

**WHERE WILL YOUR BUSINESS BE IN 10 YEARS?****WHAT ARE YOUR OPTIONS?**

- › Family Succession
- › Insider/Management Buyout
- › Third Party Sale

**KEY TRANSITION RISKS**

## Retaining:

- › Employees
- › Customers
- › Suppliers
- › Lenders

**KEY COVERAGE & SERVICE**

- › Business Valuation
- › Buy/Sell Review
- › Transition Facilitation
- › Life & Disability Insurance
- › Key Person
  - Buy/Sell Funding
  - Non-Qualified Deferred Comp
  - Executive Comp Plans

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## Business Transition Services

### Key Questions Every Business Owner Must Answer

**DOES MY BUSINESS REPRESENT 50-90% OF MY NET WORTH?**

- Most business owners have substantial net worth tied up in the company.
- Roughly 20% of private companies successfully transition ownership; 80% fail to capitalize a large percentage of their net worth.

**WHAT IS THE VALUE OF MY BUSINESS?**

Establishing a reliable value is the starting point for most transition plans.

- How do I arrive at Fair Market Value?
- If I got an offer today would I know if it's competitive?
- If I had to sell, do I know my asking price?
- Can I be guaranteed to actually bank the agreed price?
- Does value change over the course of transition?

**WHEN SHOULD I START THE TRANSITION PLANNING PROCESS?**

- NOW—To address unforeseen events
- Planning a business transition normally takes 3 - 6 months.
- Implementing a transition plan normally takes 5-10 years.
- Third party sales may be shorter
- The longer the better; more options, greater flexibility.

**HOW DO I KNOW IF I'M READY TO TRANSITION?**

- You don't know. And that's the problem.
- Exiting may not be optional. Consider the "unthinkable" for you, your family, employees, and customers.

**WHO DO I NEED TO CREATE MY TRANSITION PLAN?**

A Transition Facilitator/Risk Advisor to coordinate

- Seller, Buyer and other stakeholders
- Tax, Legal, and Accounting Advisors
- Business Valuation Analyst
- Funding or financing the deal

**LaPorte Business Transitions Services is led by Steve Hopkins, CPCU, ChFC**

The riskiest period in the life of any closely-held business is ownership transition. Whether to family, insiders, or in a third party sale, the value of a life's work becomes vulnerable. Steve's professional focus is guiding business owners through the perils of transitioning ownership and management; maintaining and enhancing business value in the process. His thirty year career in financial services is uniquely blended to fill this role.