

Immediate past

Impact of change in the last 4 years



- Rate of change has escalated – coming out of nowhere sometimes
- Business debt was incurred during this time
- As the economy softened....demand softened
- Sales were dropping but:
- Significant differences in sectors
- Rising costs of products and availability
- Impact of stress and uncertainty
 - Burnout amongst employees
 - Customer expectations/impatience

Direction

Impact of the last 2 weeks

Plan D?

A week ago, I would have said
I didn't know what to expect ???



- The threat of tariffs have been imposed on Canadian Products....

Why?

- Rationale
- The Situation
- Speculation & Questions
- Impact
- Retaliation was announced:
- What can we do?

TAKE THE LONG VIEW – future change



What is the long view?

Be prepared for ups and downs of this year (a “soft” year)

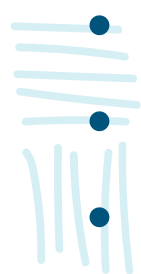
Start to consider longer term trends

What can entrepreneurs do?



- Watch for signs of change
- Research – confirm what the dynamic is for our clients.
- Identify ourselves as completely Canadian/carry Canadian products
- Can we show more value?
- Take care to retain clients

- Become more efficient – this has two benefits
- 1. Immediate benefits in staffing/response times
- 2. Long term value you create for your business



Increase your value? AND

Lower your costs

Increase your efficiency



BE COMPETITIVE

For now: TO IMPROVE YOUR MARGINS

Later: TO FUND YOUR NEXT STAGE OF LIFE

1st way you can increase value

Buying your own premises

Minimizing taxation (talk to your accountant)

Could involve passive income

Explore new revenue streams

Organic growth

Deliver a product/service for another company

Acquire, consolidate or collaborate with other businesses - for more control over supply chains, or distribution networks

Controlling distribution of a product that is in demand

(It's also a good idea btw to build your personal wealth – another reason to build your business – and pay yourself increasing amounts)

To fund your next life stage by selling or passing it on

2nd way you can increase value

Workflow AI – to describe the steps for your workflow (and AI will test it)

Minimizing taxation (talk to your accountant)

Could involve passive income

Explore new revenue streams

Deliver a product/service for another company

Acquire, consolidate or collaborate with other businesses - for more control over supply chains, or distribution networks

Control distribution of in demand products

Organic growth

(It's also a good idea btw to build your personal wealth – another reason to build your business – and pay yourself increasing amounts)

To fund your next life stage by selling or passing it on

The major change that will affect funding your Future Life?

bdc*

Study

The Coming Wave
of Business Transitions
in Canada

Are Entrepreneurs
Ready to Exit Their Company?



3 of 4 small business owners plan to exit in the next 8 years (or have already begun)

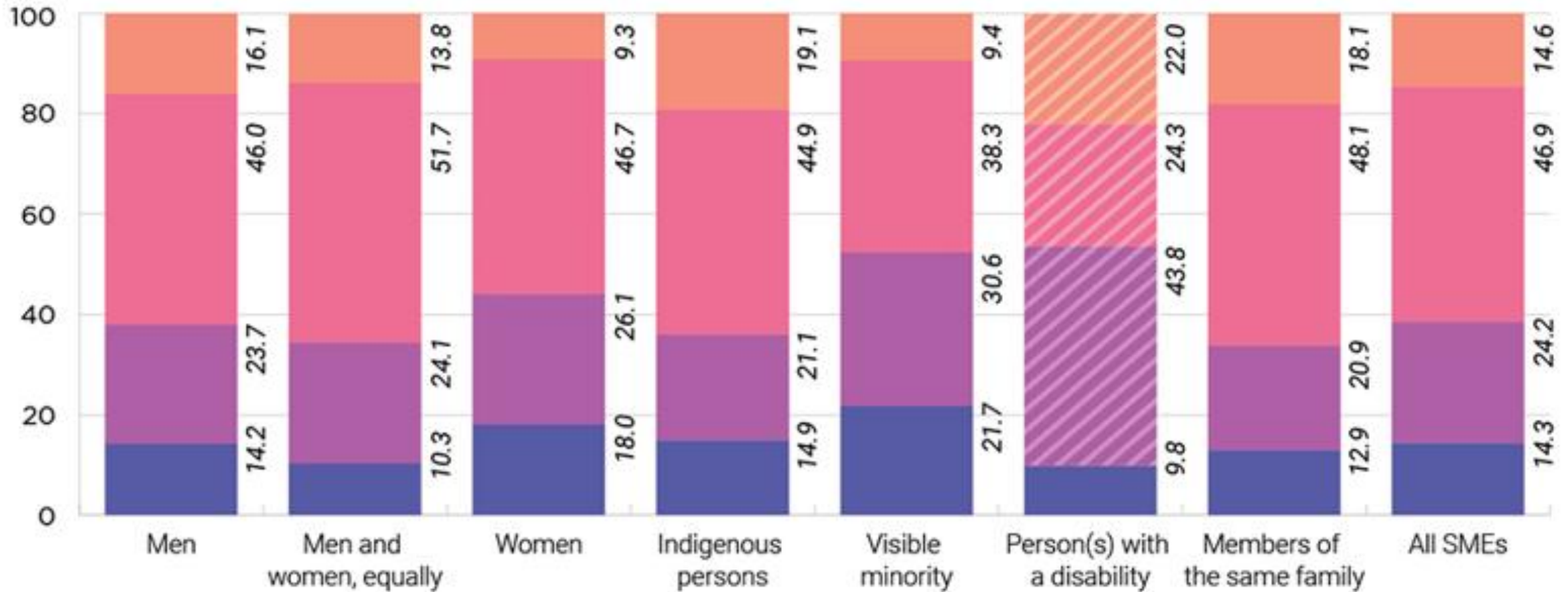
Value of their businesses is \$2 trillion: a significant contribution of our gross domestic product representing > 80% of workers

If you want to sell in future – be competitive

Who is going to buy? This is an age map



Note: group under 39 years has fewer entrepreneurs





Mistakes To Avoid

- **Ignore planning for exit: but then face a life event (illness, death)**
- **Not maximizing your business value – so you can fund the next phase of your life.**
- **Forbes: exit plan = growth plan**
- **Showing buyers you don't understand the process**
- **NEVER show your financials without a non-disclosure!**
- **Becoming distracted during the transaction phase**
- **Stop maintaining improvements when you are selling**
- **Not being aware of important risk factors (especially to cashflow)?**

QUESTIONS TO ASK YOURSELF?

What sets you apart from your competitors?

What are your strengths?

Are dependencies a risk for your business? (suppliers/customers)?

Steps to Exit

2-5 years to Exit

Stage 1

- Create Exit Plan
- Build/increase value in your business
- Choose an exit option

Stage 3

Due Diligence Phase

- Full Confidential Information Memorandum (CIM) is given
- Discussion: buyer/seller
- Valuation of business is done
- Non-binding offer given if interested

Stage 5

- Agreements are drawn up

Stage 2

- Develop a marketing teaser for potential buyers
- NDA is signed with any potential buyer before revealing business details (to prevent sensitive material from being shared)

Stage 4

- Access to Data Room (with full financials) for potential buyer (if seller is interested)
- After review, buyer may send a letter of intent



Are you a candidate for an Exit Course?

Training to prepare your business for exit: in case of an offer, an emergency – or a sudden change.

- **How does the training work?**
 - **It consists of pre-recorded modules on the 5 stages of exit & Group meetings to look at the best approaches to improve your business in preparation for exit (led by business experts)**
 - **Consultations for each stage of the process**
- **To begin – I'd like to meet you for a free consultation: here is a link**
 - **<https://grow-vantage.appointlet.com/s/get-to-know-you-call>**



• ***The immediate problems?***

1. To protect our supply chains & our markets & keep better track of our clients



2. The business landscape will change.

• ***Business owners are aging, and they will leave their businesses at high rates in the next 8 years...***



*Thank
You!*

Patricia Dent

Business Mentor

**Book a consult at no charge – to make sure we are a
good fit for this training**

<https://grow-vantage.appointlet.com/s/get-to-know-you-call>

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