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ENDEAVOR BUSINESS BROKERS



*JT Clark, Jake Drap,
Drew Carney*

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HELPING BUSINESS OWNERS SELL WITH CONFIDENCE THROUGH **ENDEAVOR** BUSINESS BROKERS

By Kathy Hunt

Often, people wait too long to decide to sell their business, says Drew Carney, founder and president of Endeavor Business Brokers. They just don't know when the right time to sell is. A simple question can help business owners make that decision. It's one that Carney often poses: "Can you double the value of your business in the next ten years? If you can't, you should give us a call."

Now in its fourth year, Endeavor Business Brokers aids owners with selling and buyers with finding the right business to purchase. Generally, the group focuses on businesses that

generate revenue between \$1 and \$20 million. Carney added that if referred by a client or other trusted source, Endeavor may take on smaller companies.

The group tends to represent limited liability companies (LLCs) and corporations, and recently has worked with and sold many of the trade industries. However, Carney and Endeavor vice-president JT Clark see Endeavor as being "industry agnostic" and are open to a wide range of fields. Based at 635 East High Street in Pottstown, Endeavor Business Broker's clients come from across Pennsylvania as well as New Jersey, Delaware, and Maryland.



JAKE DRAP, DREW CARNEY, JT CLARK

PHOTOS BY STEVE LADNER PHOTOGRAPHY



Valuation and brokerage services

One of the first questions asked of any prospective Endeavor client is whether the owner knows how much their business is worth. To help determine a business's value, Clark, who specializes in private business valuations, starts by analyzing EBITDA, Seller's Discretionary Earnings, assets, liabilities, and other key financial data. But as he puts it, "Valuation is just as much an art as it is a science. There's a lot more to a business than what shows up on a tax return."

Buyers want more than just numbers. They want to understand the owner's day-to-day involvement, the company's organizational structure, employee roles, and the full customer journey. In short, how does the business actually make money?

A question Carney often asks owners early in the process is: **"What would happen if you took a two-week vacation with no phone, no email, no way to check in — what would happen to your business?"** The answer says a lot about how sellable a business really is.

At Endeavor, they call the process of connecting a business's intangible qualities to its financials *Bringing the Narrative to the Numbers*. These intangibles like revenue sources, systems, staff, customer experience, and owner involvement often impact a business's value just as much as the bottom line.

Take a recent example Clark worked on. A construction company that, based strictly on the numbers, looked like a \$3 million listing. But the owner had gone through a personal family situation that temporarily affected sales. After looking closer at the company's strengths — a long track record, experienced team, and loyal customers — Endeavor listed it at \$5.5 million and got full-price offers.

"That's what we do," Clark says. "We tell the whole story by connecting the financials with your story, so you get the value you deserve for everything you've built."

Endeavor Business Brokers offers a free preliminary valuation for prospective sellers. If they're not ready to list, they offer a formal, in-depth valuation for a fee—giving them a clear picture of where they stand and what to consider for the future.



Once the valuation process is complete, the Endeavor Business Broker team develops a sales strategy. Endeavor possesses a network of potential buyers, and it aims not only to get the best price but also the best fit for the seller.

"It's very important to us that we get what your business is worth and also find

someone you'd be happy to hand over your business to," Clark said.

On average, it takes 8.3 months for a business to sell. Large businesses generally take longer than smaller ones. However, factors such as preparedness and market conditions also play a role in the time it takes to sell.

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"Endeavor will help negotiate the sale, keeping all sensitive information private and secure. The team adheres to strict confidentiality practices, utilizing nondisclosure agreements (NDAs) and secure communication. During the closing stages, they stay on top of the buyer, banks, lawyers, CPAs, insurance, settlement company, and all parties to ensure deadlines are met, keeping the process on track and facilitating a seamless transfer of ownership."

Marketing and relations manager Jake Drap recently revamped Endeavor's electronic documents, enabling clients to access information and sign NDA's online with ease. Clark noted that Drap was a driving force behind Endeavor's redesigned website, which now allows sellers to book a consultation online at any time.

The right time to sell

"We know that you don't just wake up one day and decide you want to sell your business," said Clark. "Often, it's a multi-month, multiple quarters, or even multi-year process."

So, when is the right time to sell? It's often when your company is thriving—showing steady growth and strong value. The right timing doesn't just secure your financial future—it protects your employ-

ees' livelihoods, and preserves your reputation with loyal customers. Most importantly, it allows you to enjoy the rewards of your hard work, whether that means spending more time with loved ones, or starting a new venture.

"Anyone who's had the business for 20 or 30 years, is seeing mature instead of fast growth, and is north of the age of 50 and looking for less and less responsibility and headaches—that's when you should sell," Carney advises.

Carney likes to tell the story of the plumber, one of Endeavor's first clients they took on. At the time, the numbers were dipping down, and the number of trucks that had been on the road just 8 years prior had gone from 10 to 2.

This particular deal was tricky to work through, but the seller still walked away with a great outcome. Endeavor was able to negotiate the terms under which the buyer would rehire the seller, including details like working hours, compensation structure, and even physical demands of the role. While it's rare that the seller gets rehired and it was the seller's preference in this case it's just one example of how we can get creative with the terms to meet both parties' needs. These types of stipulations, whether related to roles, responsibil-

ities, or other conditions, can be negotiated in various ways to ensure a smooth transition and a win-win outcome.

The good news is that Endeavor helped the owner get a good sale price, allowing the seller to stay on in a part-time role, and both parties are still happy with the outcome. The bad news, however, is that by waiting too long to sell, the seller may now be locked into a situation where he'll have to work the rest of his life instead of enjoying the benefits of an earlier sale.

Carney's advice: "Don't wait another 10 years. It won't be the same business. What's worth a million now may be worth only a hundred thousand in 10 years, and that's a huge difference in what retirement looks like."

Uncertain owners can schedule a free consultation at www.endeavorbusinessbrokers.com to discuss their goals and how to prepare for a sale.

"When we speak with sellers, we know what a big financial decision it is, but we also know what an emotional decision it is, too," Clark said. "This is a business that paid for your kids' education or allowed you to buy a vacation home. It's funded your lifestyle for a significant part of your life. Then you have employees who you

care about and rely on you. There are also customers who appreciate the work you do. We want to get what your business is worth, but we also want to find the right buyer who treats these stakeholders well."

Giving help, and without hidden fees

Carney noted that out of every 100 small to medium-sized businesses that want to sell, only 23 percent actually will sell.

"When businesses come to us and they're not ready to sell, we will tell them what they need to do to sell. We work with fractional COOs (chief operating officers) and CFOs (chief financial officers), business coaches, and other people who can help them get to a point where they can sell. We refer them to these people," he said.

Endeavor Business Brokers only gets paid after the sale in what's known as a "success fee." It doesn't take a retainer, nor does it sneak in hidden fees.

Along with aiding its clients, Endeavor aims to help communities in Southeastern Pennsylvania. As part of the company's business mission, Drew and his team donate ten percent of their annual gross income to local charities such as Happy 2 be Home and Dom Fixes Bikes. The former

nonprofit provides funding for adaptations that make a family's home accessible for their chronically ill child. Started by a Chester County teen, Dom Fixes Bikes repairs and gives away gently used bikes to make, as its website states, "cycling accessible to everyone, no matter their age, race, gender, or financial situation."

If a seller supports a specific charity, Endeavor is happy to donate to it, Clark said. Likewise, if someone refers a seller to Endeavor, the referring person can select the charity to which Endeavor contributes, Carney said. Endeavor Business Brokers wants to help foster "growth and opportunity, not just within the business sector but in the broader community as well."

How Endeavor Business Brokers began

After years of working in commercial real estate as both a realtor and broker, Carney decided to make a change and start his own brokerage company. A year into the business, during which time his original business partner had died unexpectedly at age 48, Carney found himself grilling alongside Clark at a Happy 2 be Home charity event.

"I'd been praying for someone who was young, crazy smart, who gets the dream of what this business is going to be down the road, and who will give to charity," Carney said. "Most people, when I say I'm a business broker, ask, 'What's a business broker?' With JT, he knew exactly what I did. 'You find a seller who's looking to sell. You look at the financials, find addbacks to determine profitability, and assess the business's intangible factors. You look at the multiplier...'"

Clark had studied finance at the University of Scranton. In his spare time, he had listened to tapes of his finance professor's valuations.

"I literally took two steps back, looked into the sky, and said, 'Thank you,'" Carney said.

Clark became not only an employee but also a partner in Endeavor Business Brokers.

"Taking Endeavor on together has really been a great ride," Clark said. "We're in a constant state of improvement and we're motivated to keep that going."

Currently, Endeavor has four brokers. Carney would like to expand that number to ten. The increase would allow Endeavor to cover more territory. It also enables the company to maintain its team of specialists. At other brokerage firms, brokers may be expected to juggle multiple roles and specialized responsibilities, including creating their

own buyer packs and advertisements.

"We have a specialist who does the buyer packs. We have a specialist who does the financial evaluation. We have a specialist who does client meetings. We have a seller funnel, a buyer funnel, and managers of those funnels," Carney said. He added that this is one of Endeavor's many strengths.

"You don't just get Lisa. You get me. You get Jake. You get JT. You get Cayla," Carney said. Skilled, experienced, and helpful brokers possessing integrity and the desire to get the best price and best new owner for your business. All this, and more, are waiting for you at Endeavor Business Brokers.

For additional information about selling or buying a business through Endeavor Business Brokers, visit the website at www.endeavorbusinessbrokers.com. To schedule a consultation, email info@endeavorbrokers.com or call 484.238.0897.

