



THE KOAN GROUP

When is the right time to sell a business?

The short answer is when it is right for you, because some of your objectives are more important than most all other factors.

The long answer is a little more complicated and there are a lot of motivating or mitigating factors. These factors fall within two primary categories: 1) personal reasons, such as retirement, health issues, divorce, family issues, burnout, death of an owner, liquidity, or risk mitigation; or 2) company-specific or strategic business reasons, such as the need for a cash infusion, access to technologies or distribution channels, additional resources, added management depth, or adverse market conditions. Some of these factors are under your control and others are not, but can potentially impact your decision to sell, or at least influence the timing of the sale. In general, as the owner of a company, there are four questions you should ask yourself:

1. is there a compelling or motivating reason to sell, such as health concerns, burnout, retirement, family considerations, other business or investment opportunities, etc.?
2. are you reasonably confident about the chances of meeting your objectives through the sale?
3. are you emotionally and psychologically prepared to give up the ownership reins, especially if you have invested a lot of years and hard work building the company?
4. are you committed to making the sale happen?

If you answer yes to these questions, or you think you can within the next 6-12 months, then the time is right to contact us to start strategizing and preparing for a sale (because if timing is the most important factor, then preparation is a close second.)

If you are not sure whether the time is right, then you probably need more information so you can take the emotion out of the decision. Without committing to a sale or locking you into any particular choice, we can meet to answer any questions you may have and help you assess your options and timeframe. We can also coordinate getting an independent and credible assessment of the current achievable market value of the business, to eliminate any guesswork or bias.

If you decide now is not the time to sell, at least you will have sufficient information for the future. Then we can help you focus on building your business and increasing its value with renewed commitment, so that when the day comes that it is right to sell, you will get the best price and most favorable deal.

The poor economy has negatively impacted my business. Should I wait to sell?

Within the last few years, as the “Great Recession” has handcuffed both the U.S. and worldwide economies, and many of the companies we have worked with have experienced revenue and profit declines up to 80%, this has been the most frequently asked question we have received. It has been a rare exception to find businesses that have been able to maintain uninterrupted revenue

growth. So don't think you are alone if your business has declined. Rather, this is one of those rare times economically when buyers expect to see some dips and are still willing to move forward with purchases, as long as the declines can be directly attributable to the economy or are seen as an anomaly when compared with other company-specific historical results.

We firmly believe that if you are motivated, prepared and committed to selling, and you have reasonable expectations, then the timing is still right, regardless of the macroeconomic conditions that may exist. Those conditions are beyond your control and in a constant state of flux, so it usually is best to focus on you and your business, the things you can control. We will work with you to proactively address any negative factors to minimize the impact (such as coordinating a third party valuation to better respond to bottom-feeders trying to buy a solid company at a low ball price) and still meet your objectives, so you can focus on transitioning to the next phase of your life.

What differentiates a business broker from a Merger & Acquisition (M&A) advisor/intermediary?

The terms often get used interchangeably, but there are numerous differences, including the types of businesses they work with, the documentation that each generates, the compensation structure and level the broker/intermediary receives, the sales process they go through to complete a transaction, and the financials and analyses required, to name just a few. However, the biggest differences pertain to the knowledge, experience and expertise of the broker/intermediary, the size and complexity of the businesses they represent, and the types of buyers involved.

Intermediaries typically have more experience with larger, more complex and sophisticated transactions, having completed corporate mergers and acquisitions in addition to Main Street or mid-market companies. Intermediaries typically are well-versed in all parts of the process, from properly analyzing financial statements, completing valuations, coordinating the due diligence, definitive purchase agreements and financing stages of the process, through the close of escrow. Plus, they know how to work through the problems inherent in completing most business sales, no matter how complex. Brokers, on the other hand, typically are limited in capabilities and experience to small transactions, ones in which owners sometimes incorrectly assume require little or no special expertise.

As far as business size, brokers typically work with small businesses (also referred to as "Mom and Pop" or "Main Street" businesses) from \$100,000 to \$2 million in annual sales, whereas intermediaries usually work with companies in the lower end of the middle market (also referred to as "Mid-Market" businesses), typically from \$2 million to \$100 million in annual sales. At The Koan Group, our principals and intermediaries have worked on transactions from as little as \$150,000 in sales price to well over \$100 million, with the bulk of our deals in the \$1 million - \$10 million range.

The last major area of difference is in the types of buyers involved in the transaction. For business brokers and the size of deals they work on, studies have shown that 70%-80% of their buyer pool is made up of individuals or financial buyers (see below for more information on buyers). The other 20%-30% is made up of strategic buyers. For intermediaries, the ratio of strategic buyers to financial buyers is exactly the opposite of brokers. This is especially important during this down economy because financial buyers' capital sources for purchases (i.e., income, savings, and home equity) have all declined substantially, limiting their ability to complete acquisitions. Whereas strategic buyers have ample capital resources and are actively pursuing acquisitions, including

smaller and “add-on” businesses. The Koan Group, for example, has an extensive pool of qualified and proven buyers in both categories, developed over a lengthy period of time.

In the end, intermediaries, at least at The Koan Group, can work on all transactions, whereas brokers are typically limited in the services they offer and their ability to work through some of the common problems and analyses required to successfully complete mid-market transactions.

How do I choose a broker/intermediary?

There are many factors to consider when choosing a broker/intermediary to help you buy or sell a business. Some of the factors are objective (such as experience, knowledge, and ability), others are more subjective (for example, how comfortable you are interfacing with him/her and how confident you are that he/she can complete your transaction). Some things to specifically look for include:

- Confidence – Are you confident that he/she can help you meet your objectives and complete the transaction?
At The Koan Group, we first get to know you and your objectives. Then, we collaboratively develop and implement the solution that best fits your needs. With our client-focused approach, we consider ourselves your strategic partner and tackle your challenges with integrity, confidentiality, professionalism, commitment and experience.
- Comfort – Are you are comfortable interfacing with him/her? We at The Koan Group understand this is a critical transaction that requires a good working relationship with open, honest, and frequent communications, and we will do our utmost to ensure you stay informed throughout. We also know that successful deals are built on 4 positive relationships, not only with you as the client, but also with buyers, buyer/seller advisors, other brokers/ intermediaries, alliances, etc., all of whom contribute to the successful completion of your transaction. At The Koan Group, we take great pride in continually developing and nurturing those relationships for the long-term.
- Experience & knowledge – Not all brokers/intermediaries are alike. Koan intermediaries are not only experienced and knowledgeable in M&A advisory and intermediary, but also have extensive corporate, consulting and interim executive experience, so you can be confident they understand your business, speak your language, and will successfully complete your transaction.
- Longevity – There is an extremely high turnover rate in our business, with approx. 80% of new brokers/ intermediaries finding new occupations within their first 2-1/2 years. There is a reason for this: it takes knowledge, experience, commitment, and the tenacity and ability to close deals; all of which are permeated throughout our Koan Group team and set us apart from our competition.

Why use The Koan Group?

There are many factors that differentiate us from our competition. Following is just a brief list of our competitive advantages:

We Ask the Right Questions to Help You Clarify Your Thinking—

As Merger & Acquisition advisors, our role is not to convince business owners to sell their companies. Rather, it is to ask owners pointed and thought provoking questions, so they can clearly define their objectives, outline a strategy to meet those objectives, and implement the strategy effectively to achieve those objectives within a reasonable timeframe.

No One Solution Fits All –

Although there are commonalities between businesses, we understand and appreciate each business is special and each owner's objectives are unique, thus requiring customized solutions. At The Koan Group, we understand that no one solution fits all, so we collaboratively work with our clients to develop the innovative, but viable solution that is best for them.

Realistic Expectations –

We understand how hard you have worked to build your business, so we do everything we can to simplify the sales process, minimize the surprises that may occur, and increase the probability your deal gets done. This starts with setting realistic expectations for the value of the business, your effort required to complete the process, and a reasonable timeframe for getting a deal done.

Win-Win Philosophy –

While committed to meeting your objectives and maximizing your value/returns, we also understand one-sided transactions rarely get done. We negotiate aggressively, but fairly, with the primary focus of getting the deal done at a fair price, within a reasonable timeframe, with minimal hiccups and a smooth transition, while meeting your objectives.

Trouble-Shooting & Problem-Solving Capabilities –

Our client support takes many forms, but the one constant is that we tackle the toughest challenges and the most difficult problems, while increasing shareholder value and helping our clients meet their objectives. We understand that no matter how proactive and prepared we are, problems and roadblocks may surface. We firmly believe that a successful transaction is not contingent on no problems occurring, but rather how well we work together as strategic partners to resolve those problems if and when they occur. We are dogged in getting deals done and tenacious in our pursuit of meeting your objectives.

Cradle-to-Grave Service –

Our primary focus is on helping our clients complete transactions, i.e., the buying and selling of businesses, through our M&A advisory and intermediary services. However, we also support our clients through the entire lifecycle of their businesses with transitions (e.g., succession and exit strategies, integration of sensitive and complex acquisitions, and crisis and change management), transformations (e.g., the complete repositioning of companies and assets), and performance improvement through our consulting, interim executive/management staffing, and program/project/capital asset management services. Whatever the problem or objective, we have the solution.

Breadth and Depth of Experience –

All of our staff is seasoned and experienced, as exemplified by the managing principal who has over 35 years of corporate, consulting and M&A experience, across multiple industries and functional areas. We have worked with companies covering the spectrum, both public and private, under-performing and robust, family-owned and closely-held, from startups to Fortune 100 companies. And helped them achieve their objectives in spite of whatever challenges they were facing, including such circumstances as a tough economic climate for buying and selling businesses, succession planning, sensitive transitions and integrations, startups and rapid growth environments, turnaround situations, wind-downs, consolidations, under-performing divisions, under-utilized assets, change and crisis, etc.

Longevity –

In an industry where high turnover is the rule rather than the exception, where 2 years in the business is considered tenured, Koan has been a full service provider for over 11 years and its principals average over 30 years of doing deals, managing businesses, and solving problems.

Large Buyer Pool & Strong Broker Network –

Throughout the years, we have actively built local, regional and national networks of strategic alliances and affiliate intermediaries, which broadens our marketing reach and expands our buyer pool beyond those we have in our own database, while maintaining the benefits of our local presence. We have been affiliated with and been the Northern California broker of record for a national organization of over 400 brokers. We are affiliated with industry organizations such as the International Business Broker Association (IBBA) and California Association of Business Brokers (CABB). And we are the primary commercial/business opportunity broker for 125-year old, 36-office Mason-McDuffie, the 17th largest real estate services firm in the nation. All of this is for the benefit of our clients, increasing the number and quality of prospective buyers we can bring to any transaction.

Co-Brokering –

We at The Koan Group definitely co-broker with qualified brokers/intermediaries. To do otherwise is limiting the prospective buyer pool and short-changing your client. The brokers/intermediaries who don't co-broker are actually not representing their clients to the fullest. Rather, they are focused more on their own interests, i.e., maximizing their commission, at the expense of their client. Our mantra is, "Pigs get fatter, hogs get slaughtered." In other words, we would rather have part of a commission on a deal that gets done, than 100% of a commission on a deal that doesn't.

Strong Network of Professional Advisors –

We have an excellent network of professionals for every part of the transaction that we can either bring in or refer you to. This includes lenders, attorneys, accountants, 1031 exchange specialists, financial planners, insurance providers, etc.

Confidentiality & Discretion –

It is critical during the course of selling a business that all aspects are kept confidential. Competitors can use it against you to try to poach clients. Clients may be hesitant to sign new contracts because of the uncertainty, or use it as an opportunity to check out the competition. For employees, at the very least it can be disruptive and disconcerting, and at most a reason to explore career opportunities elsewhere. In turn, if any of the aforementioned occurs, then it can be distracting to you as you respond to these concerns, thus taking away from your focus on running the business at its peak production. At The Koan Group, we understand the importance of confidentiality and take every measure to protect it.

We protect your sensitive information throughout the course of the sales process and discreetly market to qualified buyers, requiring all prospective buyers to sign a Confidentiality or Non-Disclosure Agreement. Then and only then do they obtain details of the business, so they can make a reasonable assessment and prepare an offer.

Easy to Work With –

Besides finding someone who has the experience and knowledge to get the deal done, the most important thing is to find someone you are comfortable working with. This may be the most important transaction of your life and you want to be able to talk with your broker/intermediary. We at Koan pride ourselves on providing you with the information and support you need to make one of the most important decisions you may make in your life, but also being there as advocate, advisor, coach, counselor, and facilitator.

Responsiveness –

At Koan, we understand that our clients must act quickly to succeed in today's fast-paced marketplace. Plus, time kills deals, if the parties do not maintain a sense of urgency throughout the process, right up until the transaction is completed. Therefore, we maintain frequent communication with our clients throughout, from strategy and planning through close. Integrity, Trust, Professionalism – At The Koan Group, quality character is essential, not just in good times, but in the face of challenges as well, when many people choose only to talk the talk but not walk the walk. "Building Value with Values" is much more than a tagline for us at Koan, it is our mission and way of doing business. And that is manifested in our focus on our clients and our associates.

Should I use my accountant or attorney to sell my business?

Although accountants and attorneys are valuable strategic partners and can provide critical information pertaining to key aspects of your business throughout the sales process, their expertise does not include selling businesses. They will be important contributors to the success of the transaction, but they do not have access to buyers nor the knowledge specific to valuing or

selling a business. Oftentimes, accountants will attempt to value a business. Although they definitely have critical information needed to prepare a valuation and their input may be sought, valuing businesses is not their core competence and they lack key components for completing a comprehensive and independent valuation, e.g., industry and business comps, geographical overlays and essential micro- and macroeconomic data. Plus, any advisor currently providing paid services to the firm who thinks those services may not be retained by a buyer may have a bias as to whether the business should be sold, which may in turn manifest itself in an inflated opinion of value.

At The Koan Group, we understand the relationship you have with your advisors, we value their input, and we will work closely with them throughout the process to ensure you receive the best overall representation.

How long does it take to sell a company?

Every transaction is different and many factors influence the length of time it takes to sell a business. Those factors include, to name just a few: how long it takes the seller to gather the financial and operational information needed for us to draft the Confidential Memorandum (CM) to present to prospective buyers; whether the buyer requires commercial funding and has been pre-qualified; whether it is an asset or stock sale; how complete, thorough, accurate and available the seller's financial information is, especially when it comes time for the buyer to complete his due diligence; how much in demand the business is and the number of qualified buyers; how motivated the buyer and seller are in completing the transaction and their sense of urgency in getting it done quickly; whether an escrow is required; whether leases need to be negotiated; etc.

Deals can take from a couple months (for a financially-strong and well-managed company with no warts, readily available financial information and buyers, motivated and collaborative buyer and seller, no outside funding needed, minimal due diligence and escrow, an organized broker/intermediary who does activities concurrently rather than linearly, and everything falling into place) to a couple years. Some brokers/intermediaries may promise a quick close because they know that is what you want to hear, but the industry average is probably somewhere in the 4-8 month range. For those who try to sell on their own or use an inexperienced broker/intermediary, it typically takes much longer.

We have closed deals as quickly as 45 days from signing the listing to close of escrow, but that is highly unusual and not to be expected. In that case, we had a qualified buyer in place from the start, the buyer self-funded so he did not need to obtain outside financing, the seller had comprehensive financials and was able to pull them together quickly, both parties worked well together and were committed to completing a speedy transfer, and the landlord supported the buyer in putting a new lease in place. In other words, the stars and moon aligned and there were no hiccups.

The key is making the decision to sell, committing to that decision, and working with the right broker/intermediary to get it done. At The Koan Group, we understand that time kills deals. Deals tend to go south when parties aren't focused on progressing through the necessary steps of the process and begin to lose their motivation for closing the deal. We want to expeditiously complete the process for a number of reasons: especially in this economic time, buyers have lots of deals begging for their attention, so we strive to keep them focused on the deal at hand; we don't want sellers to lose focus on operating their businesses effectively during the sales process, which can result to decline and put the deal in jeopardy; financials need to be routinely updated so

everybody involved is dealing with current information; confidentiality becomes harder to maintain; plus, there is the obvious time value of money. The longer a deal lingers on, the more possible that commitments to closing wane and deals fall apart. We move systematically and expeditiously through the entire process. Although a realistic timeframe is important, maintaining a sense of urgency is essential.

What is a business valuation?

A business valuation (also known as a Market Valuation Analysis) is simply a professional estimate or assessment of the value of your business, similar to a real estate appraisal. Completing a valuation is essential in establishing a reasonable and unbiased business listing price.

There are many factors taken into consideration and the most comprehensive valuations are typically a weighted average of multiple approaches based on assets, income or discounted cash flows, and comparable sales or market, reflecting the unique aspects of your business, industry, geographic area, available debt/equity capital for buyers, and the overall economic environment.

There is no “one” value for a business. Rather, it depends on the context. It is as much art as science, and choosing the right company to complete the valuation is critical. That is where The Koan Group comes in, to ensure the necessary financial and operational information is collected, accurate cash flow recasting efforts completed, and a reasonable value determined (one that maximizes the owner’s value while supporting an achievable sales price.) And we use only accredited and experienced valuation service companies who are nationally certified.

When is a business valuation needed?

Most owners think business valuations are only done when they are preparing to sell their business, if then. Of course, the professionals at The Koan Group highly recommend that we work together with you to complete a business valuation in advance of a sale, but there are also many other situations for which completing a business valuation is advantageous or needed, such as:

- Death of an owner
- Divorce
- Declining health
- Retirement
- Financial and tax planning
- Family, estate, and exit planning
- Management departures, transitions and changes
- Key employee equity participation and ESOPs
- Bonus and profit participation
- Stock option valuations
- Succession planning
- Strategic business reasons and capital planning
- Corporate development strategies (e.g., growth through mergers, acquisitions, and joint ventures, or consolidations through divestitures, carve-outs, and wind-downs)

- Partnership and shareholder disputes
- Liquidity and risk mitigation issues
- Bankruptcy
- Government eminent domain and re-development zones

What are the advantages of obtaining an independent third party valuation through The Koan Group?

Those advantages include:

- A valuation can play a key role in helping you achieve your financial goals.
- An independent valuation is by definition free from bias or influence, thus more accurate and achievable.
- A valuation, completed with the help of our professionals, reflects the Fair Market Value (FMV) of your business based on assets and recasted cash flows, and taking into consideration current market conditions, thus presenting the true economic value of your business.
- A third party valuation justifying market value is usually required by lenders for pre-qualification of the business and buyers.
- It is the only report to recommend price, down payment, interest rate, and length of repayment, project the requirements of a buyer, and then justify that the findings are reasonable and justifiable to both the business owner and buyer.
- It can provide justification for the listing and/or asking price.
- It may minimize negotiations on asking price and eliminate “tire kickers.” In fact, approx. 80% of the businesses listed at the value provided by The Koan Group through our independent appraisers and sold, sell for a price within 5% of that appraised value.
- Just like with a commercial real estate transaction where appraisals are required, sophisticated buyers prefer to purchase a business with a completed valuation by an independent third party, so they feel the price is realistic before they invest too much time, effort, money and resources into the purchase process.

Define a typical buyer.

There are two primary categories of buyers: financial and strategic. There are many ways to delineate the two categories, but it should be noted that the lines between the two can also blur on occasion; a buyer can be a financial buyer on one transaction and be a strategic buyer on another, and vice versa. But typically it is easy to differentiate between the two, and for brevity sake we will make some broad-brush generalizations.

The profile of a typical financial buyer is an individual (versus a buyer group) who has worked in middle management in corporate America, has left voluntarily (e.g., quit, taken early retirement, taken time off for a sabbatical or maternity/paternity leave, etc.) or involuntarily (e.g., been outplaced as a result of a layoff, restructuring, rightsizing, downsizing, re-engineering, etc.), has a nice nest egg of money (from sources such as savings, retirement, home equity, investment from friends and family, etc.), and is looking to “buy a job” to replace or supplement income. Typically the size of businesses they seek range from \$100,000 to \$2 million in annual sales. These buyers

usually require commercial funding, such as SBA loans, of up to 80% of the purchase price to complete a transaction. This type of buyer makes up approx. 70%-80% of a business broker's buyer pool.

The other category of buyers -- strategic buyers -- are made up of corporate investors, investment groups, private equity groups, angel investors, and high net worth individuals, who are seeking not only financial returns but other strategic benefits as well. These other benefits vary from buyer to buyer but may include such things as expanding their geographic presence or footprint, penetrating markets, eliminating competition, increasing market share, adding qualified staff, obtaining key clients or a book of business, etc. Typically the size of businesses they seek range from \$2 million to \$100 million. Strategic buyers typically have a pre-determined set of buying parameters/criteria and more than likely may complete numerous transactions over time. They also are typically well-funded, requiring little or no outside debt or equity funding. For M&A intermediaries, given the size and complexity of the deals they typically work on and the inherent buyer sophistication needed, the ratio of strategic buyers to financial buyers is exactly the opposite of brokers, i.e., their buyer pool may consist of 80%+ of strategic buyers.

The Koan Group has an extensive database of hundreds of qualified buyers, both financial and strategic, obtained from years of being in business, completing numerous transactions and actively cultivating relationships. In addition, we maintain local and regional networks of strategic alliances and affiliate intermediaries, which broadens our marketing reach and expands our buyer pool beyond those we have in our own database, while maintaining the benefits of our local presence. Formerly associated with a national organization with a network of over 400 brokers, we still maintain many broker relationships across the nation. We are affiliated with industry organizations such as the International Business Broker Association (IBBA) and California Association of Business Brokers (CABB). And we are the primary commercial/business opportunity broker for 125-year old, 36-office Mason-McDuffie, the 17th largest real estate services firm in the nation. All of this is for the benefit of our clients, increasing the number and quality of prospective buyers we can bring to any transaction.

Are there alternatives to selling my business?

Yes. That is where Koan's comprehensive list of M&A advisory and consulting services comes in handy. First, we can sit down with you to map out short- and long-term strategies, including succession and exit planning, that work best for you based on your personal and professional objectives:

- If the best direction in the short-term is to continue operating your business, but you know it could be operating more efficiently or profitably, we provide consulting services across all functional areas (i.e., strategy, finance, operations, sales, etc.) that can enhance business performance. Not only can we improve profitability and shareholder value, but this can also maximize the value of the business for when you are ready to sell.
- If the best strategy is to transition the business to the existing management team, then we assist with the succession planning and complete the sales transaction to affect the ownership transfer within your preferred timeframe, and we can work with the management team to affect the smoothest transition.
- If you decide to retain ownership but want minimal day-to-day involvement with the business, i.e., be an absentee owner, then we have the skilled resources to provide interim executive and/or management staffing to operate the business on your behalf. In this case,

we work out all the details, implement the solution, and then meet periodically to discuss strategy, set direction, and review results. You retain ownership and profits without the daily headaches, while knowing qualified personnel are representing your interests.

- If you prefer to hold on to the business, but the best strategy is to grow the business, we provide revenue enhancement services to achieve organic/internal growth, as well as corporate development services to achieve external growth through acquisitions. In either case, we help you develop the overall strategy and then provide the skilled resources to implement the plan.
- And, of course, if you decide that selling is the best option, then we provide the necessary cradle-to-grave M&A advisory and intermediary services needed to complete the transaction within a reasonable timeframe and at the best price possible.

When should I consider enlisting The Koan Group for consulting services?

That varies by company. Almost every company has some area of the business that could benefit from outside consulting. It can simply be a new perspective on a old problem; a fresh set of eyes if you will. It can be a validation of something you are unsure of. But most often, you know you have a problem but cannot identify the root cause, or know the problem but do not have the time, resources or expertise to correct it. That's where the professionals at The Koan Group come in.

The second consideration, assuming you have a need, is whether you can afford the expense to fix the problem. We believe the better question to ask is whether you can afford not to fix it. More often than not, a cost-benefit analysis will warrant the expense; the pros will far outweigh the cons. Whether it involves revenue enhancement, cost containment, or performance improvement, the long-term benefits almost always exceed the short-term costs.

What types of problems are addressed by Koan's consulting services?

Problems are relative. What may seem like a small problem to one company may seem almost insurmountable to another. And no one solution fits all problems. What may be a viable solution for a problem at one company may be the worst solution at another (for a different problem with the same company or the same problem with a different company). Many factors and mitigating circumstances are involved. That is why we spend time upfront gathering information, interviewing stakeholders, getting a firm understanding of the whole picture, and determining the root cause before recommending a solution.

Our primary goal at The Koan Group is to provide our clients with the information, processes, tools, and support they need to meet their personal and professional objectives, whether it involves buying, selling, valuing, improving, integrating, turning around, and/or managing your business and real estate assets. Along with a focus on integrity, professionalism and discretion, and derived from decades of relevant experience and proven results, we provide value-driven advice and expertise. Not only do we understand the strategic, financial and operational issues involved with businesses, but we also appreciate and value the emotional aspects involved with business ownership, whether it be selling a business that you've spent much of your life building or entering a new phase of your business career by purchasing an existing business to operate.

With our expertise across a broad list of services, our nimble flexibility and focus on results, Koan is your complete business partner. The Koan Group is a full-service M&A and strategic consulting firm. Focused on transactions, transitions, transformations, and performance improvement, we

provide strategic guidance and support for every phase of your business, from startup to exit. With extensive experience in merger and acquisition advisory and intermediation, business improvement, rapid growth and turnaround situations, change management, interim executive staffing, program and project management, and investment management, we have been helping clients identify pain points, resolve challenges and successfully achieve their objectives since 2001. In essence, the tougher the challenges and the more complex the problems, the more assistance and expertise we can provide.

Describe some examples where I would benefit from Koan's consulting services.

With over 30 years experience, The Koan Group helps companies across all industries, public and private, underperforming and robust, from startup to exit, and at every step in between, solve their problems and meet their objectives. We specialize in tackling the toughest challenges, solving the most difficult problems, turning around the most troubled assets, facilitating or completing the most complex transactions, coordinating the most sensitive integrations. We create order out of chaos. Where there is change, upheaval, lack of direction, confusion, transition, crisis – we provide vision, clarity, solutions, opportunities, guidance, nurturing, expertise, leadership. Where there is efficiency, profitability, growth – we provide opportunity and value through expert validation, continued improvement, thought-provoking ideas and the tools and expertise to challenge the status quo, avoid complacency, and accomplish more. With tireless persistence as your strategic partner, the Koan team strives to exceed expectations.

Does The Koan Group provide executive coaching or oversight?

Principals of The Koan Group have participated on numerous boards of directors, advisory boards, board/ executive committees, and executive leadership teams. We can provide not only executive coaching and oversight, but strategic, tactical, and functional guidance, proactively driving the top and bottom lines of a business forward.

Does The Koan Group offer alternative payment structures?

Yes, in order to not only support but partner with and invest in our clients, we offer creative and flexible payment arrangements (under certain circumstances and if pre-agreed upon before services start). Besides performance-based commissions for transactions and hourly, daily, weekly or monthly rates for consulting engagements (depending on the scope, duration, and staffing), we offer:

- Fixed fee arrangements
- Retainers
- Incentive-based or profit/savings participation/sharing
- Performance-based or success fee
- Contingency or success fee
- Stock options/warrants