

Recipe for Success:

Navigating the Unexpected in a Florida Restaurant Group's Business Sale



OVERVIEW

In 2021, a culinary gem emerged in Palm Beach, Florida, captivating the taste buds of locals with its delectable, flame-cooked, wood-fired rotisserie chicken. Celebrated for their scratch-made meals, this restaurant group quickly became a community treasure, featured in the local newspaper and renowned for enhancing the fine dining experience with their commissary-crafted poultry. The company, which had seven stores in the region, stood at a crossroads: poised to either scale their operations for expansive growth or pursue the sale of their business.

Despite their tremendous growth potential, they faced a critical challenge: a lack of business and financial expertise to navigate the complexities of their impending growth.

This is where B2B CFO® Partner, Terry Eve stepped in, providing strategic business guidance to chart a course for the company's promising future.



This business felt they had it all: the price, the product and the promotion— but the question remained: should they expand or sell their business?

EXPERT RESOURCES, SOFTWARE, AND SKILLS

When Terry Eve met with the owners, he brought to the table over 30 years of progressive financial and operational management experience, having worked for companies that ranged in start-up status to an excess of \$400 million in revenue.

Terry's introduction to a local attorney through a networking contact opened doors for meaningful conversation. Armed with *The Exit Strategy Handbook*, Terry showcased his expertise, emphasizing how B2B CFO® assists companies and owners in preparing and executing successful sales. The first item on Terry's agenda was performing the B2B CFO® Gap Diagnostic Analysis™—a confidential exploration that uncovers hidden opportunities and strategic gaps within a business. By interviewing the accounting team, benchmarking against industry standards, and dissecting financial data, B2B CFO® can create a roadmap to reach desired outcomes.

Additionally, the firm encourages potential clients to read *The Exit Strategy Handbook*, a comprehensive guide that equips business owners with the knowledge and tools necessary for a successful and profitable exit. It provides strategic insights into maximizing company value and navigating the complexities of the sale process with confidence.

Facing inflationary pressures, the owners felt the weight of their business's future. After reading *The Exit Strategy Handbook*, —it illuminated the path to a successful exit, whether through sale or expansion. The owners made a resolute decision: Terry's expertise would prepare them for a successful sale of both the business and the commissary real estate.

Terry assembled a Success Team to perform due diligence. After evaluating investment banking firms nationwide, they chose an experienced New York group that met all B2B CFO®'s criteria. A Houston-based law firm joined the effort, along with implementing The Exit Strategy Dashboard. With guidance from tax advisors, they repositioned the company for significant tax advantages. Next, the business transition timeline took shape, Investment Bankers compiled a buyer list while prioritizing financial gains that offered minimal disruption to the seven store locations.

STRATEGIC GUIDANCE: SIGNIFICANT RESULTS

In a significant development, the restaurant group garnered interest, resulting in three letters of intent. Leveraging expert guidance from Terry, the owners navigated through the purchase offers to select the one aligning perfectly with their long-term objectives and financial strategy. The finalized deal stands at an impressive \$16.3 million post-money valuation, encompassing the acquisition of a 30% stake, effectively valuing the company at \$20 million. This strategic move includes an equity infusion and rollover of existing shareholder interests for the remaining 70% of the company equity, securing a promising future for the company's continued growth and success.



This business felt they had it all: the price, the product and the potential — but the question remained: should they expand or sell their business?

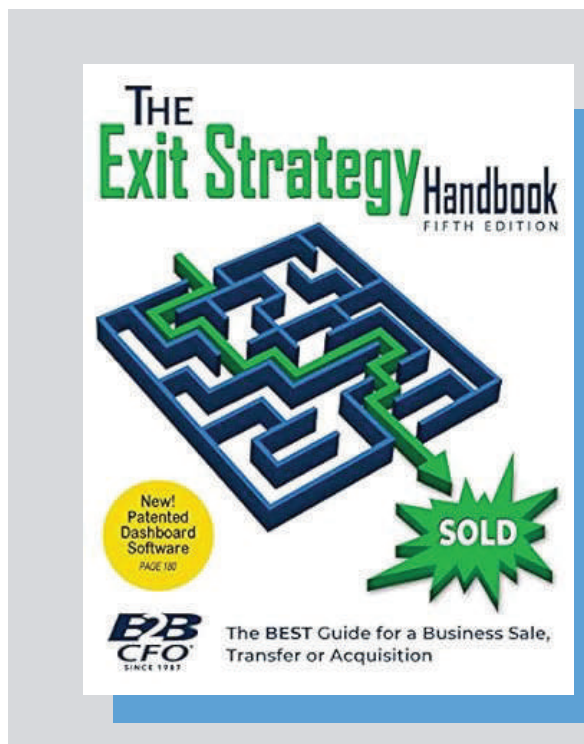
That's where B2B CFO® Partner Terry Eve comes in.

The journey of the restaurant group's sale was marked by profound gratitude for Terry's unwavering support, which proved invaluable, especially when faced with the unexpected and tragic loss of one of the owners in late December. Despite concerns from the buyers about the potential implications for the deal, Terry's expertise and steady presence provided reassurance that the transaction would proceed with integrity. The culmination of this complex sale was fittingly sealed on February 14, 2024.

Terry highlighted the exceptional nature of the deal structure, emphasizing the owners' strategic foresight in adopting a long-term vision for the restaurant group. Rather than opting for the highest bid in a quick sale, they chose an offer that promises a more advantageous future for the business. This prudent decision not only aligns with the right direction for the company but also ensures a rewarding and beneficial long-term impact. The objective is clear: to increase the valuation by four to fivefold within the next three to five years.

PREPARATION AND EXPERTISE: THE KEY TO A SUCCESSFUL BUSINESS EXIT

At B2B CFO®, we specialize in equipping business owners with the results-driven tools and guidance needed to prepare their privately held companies for successful sales. Our team of experts are dedicated to providing business advisory and counsel supported by comprehensive training, cutting-edge patented software, and extensive knowledge. We understand that preparation is the cornerstone of a successful business sale, and our tailored approach ensures that well-prepared businesses attract more and better offers, leading to quicker and more efficient sales processes. Trust B2B CFO® to elevate your business readiness and maximize your selling potential.



At B2B CFO®, we specialize in equipping business owners with the essential tools and guidance needed to prepare their privately held companies for successful sales.

Considering selling your company and seeking ways to enhance its value and plan your exit? Reach out to B2B CFO® Partners for expert guidance – visit b2bcfo.com.