

## HILLSIDE IN THE NEWS

Jason shared his long-term investing process and highlighted 3 Top Picks in this interview with *StockPick News*:



## NEW ON YOUTUBE

*From the Hillside Factor<sup>®</sup>*: The Hillside Wealth team talks about Restoration Hardware (RH). Tune in to learn more about them, and why we hold them in our model portfolios.



Mike talks about two timeless rules every investor should know about when planning for retirement.



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## ENSURING A SMOOTH TRANSITION: HOW TO MAKE YOUR BUSINESS SALE-READY

*Michael Preto, CFP<sup>®</sup>, CIM<sup>®</sup>*

***One of the key issues facing business owners today is successfully transitioning their business to the next owner.***

Many current owners struggle with this because there are more sellers than buyers. It's a buyer's market, and buyers have specific criteria, one of which is the current owner's level of involvement in daily operations.

Earlier this year, I needed some repairs done on my boat; my anchor winch needed to be rebuilt. We removed the winch, boxed it up, and shipped it to the company, which promised a turnaround time of about three weeks. As the completion date approached, we experienced a communication blackout—no responses to emails and unreturned phone calls. Eventually, we discovered the sole person responsible for rebuilding our winch had suffered a heart attack. Thankfully, he survived. However, this machinist was also the receptionist, shipper/receiver, manager, and owner. When he went down, his business came to a halt. This scenario perfectly illustrates what not to do if you hope to sell your business someday.

The gentleman, now in his 70s, will never be able to sell his business for more than the value of its machinery and inventory. Despite the business supporting him and his family for decades, he won't receive a multiple of the profits. This highlights another issue many owners face—if they simply close their doors, will they be able to maintain their current lifestyle?

To create a different outcome for you and your family, all you need is time and an open mind.

Time's needed to:

- Implement systems and processes required to have other people run your business for you.
- Hire the right people to run the business.
- Structure the business so when you do successfully sell, you do so tax efficiently.

An open mind is needed to look at your business through the buyer's eyes and see things differently than you have in the past.

These two elements are crucial to transforming your business into a saleable asset and securing the funds needed for a smooth transition into your next chapter.

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