

Appendix 5 – Content analysis

The content analysis, on the below in chronological order listed statements made by the advisors in the interview, have been conducted using the following attribution codes for the key success factors, measurement of success and other statements.

Key Success Factors

1. Increasing negotiation power by creating competition
2. Initiating the sales process under favourable market conditions
3. Selecting a group of bidders with the highest potential synergies
4. Inviting financial investors to the bidding process
5. Increasing transparency of target company information
6. Controlling information dissemination to potential bidders
7. Articulating a compelling value and growth story for each buyer
8. Optimizing the auction process used in the divestment
9. Overcoming price differences using deferred or conditional payments
10. Identifying and mitigating potential deal breakers

Measurement of success and others

- A. Optimization of valuation and proceeds
- B. Limited optimization of timing and risk
- O. Other key success factors
- G. General statements about process

Content Analysis VIEW

Statements made by the advisor	Element to be studied
There are so far two interested parties, but no offer has been made	G
The company and internet platform for esoterism and prediction were founded in 2007 by CLIENT who still is the sole owner today.	G
He structured the group into two legal entities one for the activities within COUNTRY and another one for international activities.	G
The group is one of the leading players in LANGUAGE speaking Europe and offers today access to more than 100 specialists in esoterism on the phone and through the internet.	G
The founder is an entrepreneur and not a manager.	G
He has realized that he is not the right person to take the company to the next level that according to the Peter Principle the business has outgrown his skills.	G
He decided about 4 to 6 weeks after we presented him Firm A's diagnostics and business valuation that he would like to sell.	G
The preparation has been completed, but there is a delay in the contacting process due to tax issues that have been identified.	B
The VAT system in COUNTRY and some of the markets where COMPANY is operating is completely different.	10
We already had a few meetings, but cannot ask for offers before the tax situation has been assessed and a solution is structured.	B
The blind profile has been distributed to Firm A's database of more than 7000 registered investors of which 5000 are financial investors and 2000 strategic buyers. 5000 registered potential buyers.	3, 4
We believe that it is more efficient to distribute the profile to investors that have actively expressed interest in taking over a company, rather than contacting companies that just	4

happen to be in the same sector but might only be interested in receiving information on a competitor.	
But for other projects we also go through the chamber of commerce and we always use informal business networking. So far 1 financial investor and 1 IT group have expressed their interest.	1
Before signing a confidentiality agreement (NDA) they only receive a blind profile.	6
After the NDA a complete information memorandum that however doesn't contain any strategically delicate information like client names etc.	5, 6
Based on indicative offers we invite one or several potential buyers to enter a full due diligence.	8
The technical information on platform (internet distribution) only after signing the stock purchase agreement.	6
According to our valuation the minimum price the client needs is CHF 14 million so we indicated CHF 16.5 million to buyers to have a bit of margin for negotiations.	A
We analyze EBITDA multiples from comparable transactions, a benchmarking of 20 transactions and then validate looking at accounting value plus a goodwill.	A
Yes, but anything above 14 is ok. At the end it will all depend on negotiations.	1
Timing is ok even if valuations are low at the stock exchange and it is difficult to get acquisition financing.	2
However, appetite for real assets in COUNTRY is high, especially because of the Euro crisis and the tax situation in some of the European countries.	2
There is one buyer from COUNTRY who submitted a formal indicative offer. It is a family office of a large corporate. So they wouldn't have synergies but acquire View with a strategic interests.	3
However the offer is currently negotiated.	1
It is a difficult project as the company depends on one single person. In this business it is all about the quality of the manager.	10
The market is the same not necessarily in COUNTRY of the target company but in COUNTRY of the bidder yes.	2
There have been several interested parties with whom we had negotiations, but no other offers in writing were submitted.	1
The price offered is a little lower, but it's not a significant difference. The difference is that the payments would be staged in time. Only 70% are paid upfront in cash and the remaining 30% as earn out payments over time.	9
We are still negotiating the offer and are not yet inviting the bidder to a due diligence.	6
If we find an agreement in July, we can start the due diligence in September.	B
You know, until the transaction is closed it is never sure.	B
There is maybe one important point, it is the VAT issue. So far there was no VAT for online services provided by a company in COUNTRY to COUNTRY. But this could change.	10
And also financing could be deal breaker, the bidder doesn't have the acquisition financing secured yet.	10
The only possibility are the earn out payments, also because it is difficult to get acquisition financing.	9
It is very difficult with the banks because it is an Internet business and there is a dependence on just one person.	10
There will be a classic due diligence on financial, fiduciary accounting, fiscal and legal aspects of the company.	5
Further the holding structure for acquisition and financing needs to be validated.	G
The sales statistics and management indicators allowing to monitor the activities on the websites	6
The offer as it is on the table could already be attractive if no guarantees are asked for the cash portion of the price	9
Yes it is a good deal for them, as they are buying a company with further potential.	A
A transaction is only possible if both parties are happy, it has to be a win-win.	B
The process was relatively slow, but respecting the different steps that were planned.	B
It is always difficult to say from the beginning how it will develop. In general it is my impression that decisions take longer than in earlier years, on the buy-side.	G

We are not only intermediary, but are also consulting the seller. It is a global added value as we are accompanying the client through the divestment process, including due diligence and negotiations.	G
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Content Analysis ENFANTS

Statements made by the advisor	Element to be studied
As per the memo provided, ENFANTS has been founded by the two owners in 1991 to become a group of 16 re-school and primary school daycare center by 2012.	G
As of today, the groups CEO has also a significant stake (25 to 20%) in 9 daycare centers.	G
The founders are looking for a successor to realize the very high growth potential of the company.	3
If the price is right, they would like to handover the group to a larger company that has the management capacity to a private investor looking for a MBI opportunity.	3
They would then quite their role after a transition period of up to 24 months and do something else. The third director of the group, who is the CEO, will stay in the group with or without the capital stake he currently owns.	B
A diagnostics of the company had been conducted by the advisor in order to determine its value.	A
Then, a blind profile has been distributed to Firm A's database of more than 7000 registered potential buyers and to a selection of additional potential buyers that have a strategic fit, but are not director competitors.	3, 4
13 parties have been invited for a first meeting so far, so they can decide whether they are interested in making an offer that is in line with the value proposed by Firm A.	1
Only if their offer is acceptable by the client, they will be invited to conduct a due diligence.	6
Distributing the blind profile through Firm A's database and to selected buyers that have a strategic fit.	3
No actual financial investors, but through the Firm A database many private investors that could see this as a MBI opportunity.	4
Before the potential buyers receive the memorandum they sign a confidentiality agreement.	6
EUR 6.9 mln, that's the result of our diagnostics	A
Our methodology is based on SME transaction EBITDA multiples; in this case we had to make an upward adjustment due to the company's high profitability.	A
I expect the offers to be a little bit lower. From my experience the bidders start with an offer of maximum 90% of the indicated valuation.	A
The market conditions are very good. Actually it is because the market conditions in France are really bad.	2
No one wants to invest in French business right now, so people are looking for alternatives. This makes COUNTRY interesting for diversification and fiscal optimization.	2
It went all very well and we were able to close quickly.	B
After the meetings we organized with the potential buyers we received offers from them. Then it was just a brief due diligence process and we closed the transaction in January.	1, B
Market: Nothing has changed since the last interview.	2
There were 15 interested parties of which 2 were private investors and 13 operators (strategic bidders). We organized a meeting for all of them and afterwards received a total of 4 indicative offers.	7
One offer was about 10% lower, but the others only 2-3% lower than the valuation we indicated.	A
All the 4 had a meeting with the fiduciary accountant to go through the numbers in detail, but only the most likely buyer was then invited to a full due diligence	5, 6
None, the buyer was selected because it was the one without deal breakers. It was the only one to pay all in cash	10
There aren't, the price offered is almost same price that was offered before due diligence and almost same as asked for	A
It went very fast, the deal has already closed	B
There were only minor issues, mainly due to the lack of understanding of tax deductions as there are differences in COUNTRY of the buyer and COUNTRY of ENFANTS.	10

Not really, it was a very transparent process from the beginning and there aren't really any business secrets in ENFANTS's sector.	5, 6
No changes in the market and the business, it was just decided that an additional asset of ENFANTS was also sold in the same transaction	2
Yes, after hard negotiations we since the beginning we convinced the buyer that the company is worth the price.	1
Yes, they have purchased the know-how in childcare and can leverage that. A good price was paid, but without including the potential synergies in the price as those have to be realized first.	A
Divestment process was according to plan	B
I first had to build the trust and do the work in the first phase (contacting).	G
I had 15 investor meetings to choose the best ones, and every time I was selling the company's success story.	1
I really had to know the company in-side out in order to accompany the client in negotiations	G

Content Analysis AUTOBAHN

Statements made by the advisor	Element to be studied
The founders both worked for their father's auto repair shop at high school. The repair shop was specialized in top brands for which clients wanted new parts.	G
When the internet boom started they decided to start an online shop in 2003, but the business really started to grow in 2006.	G
They developed their own software and inventory system, did everything internally including a payment system.	G
The business has been growing 40% per year since 2006 and is very profitable.	G
They are 37 and 40 years old and want to diversify their estate and take some money out of the business and into their pocket.	G
They are brothers. They are second generation immigrants from Yugoslavia. Their father was an immigrant and they are from modest background.	G
They were contacted by several potential buyers and decided to cash out already before contacting us as advisors.	G
There is a full memo on operations and financials.	5
Teaser and NDA are going to be sent out first to potential buyers.	6
We have identified 350 potential buyers (75 strategic/275 private equity) domestic and international, and have contacted all of them by email February 19.	3, 4
By now 50 said no and 100 signed an NDA. There should be about 200 interested parties.	1
Memos are to be sent out right away with a bid instruction letter, asking indication of interest with valuation range and steps towards closing based on the memo by March 28.	B
Narrow down to who is getting the opportunity of meeting the management.	6
As explained, 350 identified potential buyers are contacted with a teaser (75 strategic/275 private equity).	3, 4
The teaser is anonymous, but once they sign the NDA they receive all information on the company.	5, 6
We are very thoughtful on how you much info to give, but since it's ecommerce there isn't a lot of potential damage from disclosure of information.	6
USD 50 million would be a good valuation. Not a great one but a good one.	A
The company is growing 40% and there is additional untapped growth. They are just starting to take advantage of what we call operation leverage due to the relative lower fix cost. Margins will expand a lot and generate much more Free Cash Flow.	A
In this case transaction multiples. It is USD 50 million by EBITDA multiple analysis, but higher if revenue multiples are used (around USD 100 mln). We looked at a lot of transactions, more than 25.	A
I don't know, in a similar process with lots of different buyers there were 35 indications of interest with a valuation range of 6 to 9x EBITDA. We expect a very wide range that could be anything from 7 to 9x EBITDA and others might use revenue multiples, or hybrid of both	A

resulting in EBITDA multiples of 10 or 11. So it could be valuations from USD 40 up to 90 million, really.	
I couldn't imagine it being a better market. Strategic buyers have a lot of cash, the financing markets in the US and private equity funds are flushed with cash.	2
We now have offers in hand. 48 initial offers between 7.5x EBITDA and 11.8X EBITDA.	A
We are doing 15-17 management presentations over the next three weeks starting yesterday.	1
All information flow will be done with an online data room.	5
Next round offers including a fully marked up purchase agreement will be due around May 21st.	8
There were no changes in market conditions since the first interview, but the company is below budget.	2
The company is doing fine but made some errors in their budgeting process.	G
We have received 48 initial offers between 7.5x EBITDA and 11.8X EBITDA.	A
All buyers were financial investors (such as private equity firms)	4
We expected a 10 EBITDA multiple which was correct, the valuation initially offered was then lowered after due diligence because the company has a lower EBITDA than budgeted.	A
We invited 2 parties to the due diligence process.	8
The selection criteria was first the value added these potential buyers could have to the company and these firms had most experience in the segment.	3
Second neither buyer was going to use leverage and third there was a high comfort level between the seller and them; they liked the people.	10
We had management meetings with 15 potential buyers who made an offer and then selected 5 parties that we visited at their offices, meeting the partners and their team.	1
We invited then 2 parties to the due diligence guaranteeing for their due diligence cost, which means that the seller pays for their cost if the buyer doesn't get to close a deal.	0
The only issue was the financial performance, we knew there were going to be adjustments to their valuations	10
There was no gap, they were using a multiple of 10x EBITDA for their valuation	A
After due diligence was done, we were down to one party.	G
The company missed their EBITDA projections by 25% in the first 6 months and both buyers wanted to adjust purchase the price.	G
One made a very substantial adjustment down to 45 mln in value because they concluded that there is a systematic problem that caused the underperformance in the last semester.	A
The other buyer just applied the same multiple on the adjusted EBITDA budgeted for 2014 USD and finally offered 50.5 mln (down from 55 mln)	A
There was an adjustment based on the 1st half year figures. The company missed projections by USD 500 thousand. 300 thousand because of the error in their budgeting process and 200 thousand because of an accounting difference in quality of earnings, which was because of the accounting firm.	10
The company uses priority software (with an algorithm) to predict optimal inventory (level and type of product). This is very valuable information, especially knowing what kind of product has to be in inventory in order to optimize their sales. So they didn't want to disclose this to more than 2 buyers.	6
There hasn't been any change in market conditions, the company's value in terms of multiples is still the same.	2
There was no difference in value perception and the full amount is paid in cash, at closing.	9
Yes, for sure. I would say it is a very good deal for them.	A
They are keeping a 20% stake in the company and they have dilution protection. This means that if there is any capital increase for acquisitions they are protected against dilution and keep their 20% - forever	A
I am sure they will do very well.	A
It's a financial investor so there are no synergies, but they will be able to grow faster and make smart acquisitions, so it's a good deal for them too.	4
It went exactly the way we planned it.	B
We helped the client selling their story. It's more a software company than a product seller so we were marketing it as a software deal not an ecommerce deal which then adds to the valuation.	7

We made it a competitive process and achieved therefore a higher price than they client would have achieved.	1
And when running into problems with earnings, the competitive environment helped to still achieve an attractive valuation.	1
Other advisors the company talked to had a range of 8x EBITDA and we said 10x which was now paid. The client couldn't be sure if they knew what we are talking about, but we were very confident we could get 10x EBITDA.	7
Because we sold it as a software business not an ecommerce business.	7

Content Analysis PACKAGE

Statements made by the advisor	Element to be studied
The company started 30 years ago to sell plastic bags. It was a business with no added value, but the last 3 years they switched to more added value activities in the packaging industry (printing, etc).	G
They increased market share and increased margins (2points higher).	G
The main shareholder is around 70 years old and would like to cash out. He doesn't want his son to continue and work as much as he did.	G
It was him who made the decision, there was no influence by us or any other advisor.	G
He might also sell a smaller related company, selling conventional plastic bags, otherwise the son will take this smaller one over as CEO.	G
Initial conversations have been held between advisor and client (owner), but on the company's side the process will be mainly conducted by a consultant (all information goes through him).	5
There has been a valuation report and the client has authorized us to start a process for a competitive sale.	A, 1
The process will be very confidential, ...	6
... no strategic buyers from COUNTRY are going to be contacted (only one PE who has an investment in the sector and who is the most likely buyer.	3, 4
After the NDA, a memo will be sent together with a procedure letter.	6
Based on Indicative offers bidders can conduct a due diligence and make then their final offer.	5
The teaser has been sent to international buyers, mainly through the Firm B network. So far we have contacted 30, 17 have signed an NDA and received the memo.	1
No pure financial investors have been contacted, but in some cases the shareholder of a potential buyer is a Private Equity firm.	4
No companies from COUNTRY will be contacted and the teaser is anonymous.	6
After having signed an NDA, the potential buyers receive an infomemo. The due diligence will simply confirm the information from the information memorandum.	5
Besides accounting, fiscal and legal information, in the due diligence also sensitive information such as client names will be revealed.	6
We value the company at USD 25 million, but client wants 30 million.	A
There was a misrepresentation of expenses in the financial statements initially provided which lead to an underestimation of expenses.	5
That's why initially our valuation was higher.	A
We conducted a full discounted cash flow analysis, and looked at multiples.	A
Besides trading multiples of listed companies from the same sector we considered 12 comparable transactions.	A
We expect the offers to around 24 to 25 million, in line with our valuation.	A
A potential improvement would be the acquisition of more international clients, better organizations and more transparency.	1, 5
The lack of transparency today, is a negative and makes it more difficult for new owners.	5
We publish monthly newsletters on M&A activities in COUNTRY and there is a tendency to more transactions. So yes, we consider it absolutely to be a good moment to sell.	2
It was a rather difficult process, mainly because during contacting the financials communicated to the potential buyers had to be changed.	B

Only one potential buyer who made an attractive initial offer was invited to a pre due diligence where he had access to the detailed accounting figures through a virtual data room.	6
Since the offer was lowered substantially after this, the client rejected the bid.	A
There hasn't been any change in market conditions and we have seen a lot of interest in the target company by potential buyers.	2
We had two visits from European investors (strategic buyers) and many information requests.	A
In total 15 NDA were signed and 3 offers were received. All of them form strategic bidders (1 for vertical integration).	A
1 bid was close to our valuation and 2 were about 25-30% below. The projections we used for our valuation, based on the clients input, were perceived to be quite aggressive.	A
1 bidder was invited to a pre due diligence, limited to the financials in order to give full transparency.	5
KPMG provided a vendor due diligence on the financials and the bidder had the possibility to revise the offer before moving forward with a full due diligence.	5
During this phase we pretended to have additional bidders.	8
The risk at this point was the financials. This is why KPMG was hired for the vendor due diligence.	10
However it was only a light vendor due diligence limited to the financials.	G
For cost reasons we first wanted to give full transparency on financials before proceeding with a full due diligence.	5
The client expects USD 30 million, but we don't really know his lower limit.	A
The process has been slower than expected.	A
Since the bidder lowered its offer we did not move forward, the client rejected the offer	A
After the virtual data room the due diligence process had to be stopped.	G
The financials were the most important issue, but a lot of information has already been provided.	10
The only important thing that was not covered is tax.	5
We felt that at this stage it is not important to the bidder and it is confidential. But in the end it was really more because of cost and timing, that we didn't include it right away.	6
The market is the same, but the bidder lowered the bid from USD 25-28 million range initially indicated to USD a 16-20 million range.	2
This was mainly due to the fact that certain expenses paid in cash were not fully included in the financial statements.	5
It is too big a price difference and there hasn't been any improved bid. At least so far not.	9
It is still an acceptable offer and we agree with the bidder that the client's projections are too optimistic.	A
Also, there are some liabilities and extra cost that we didn't considered in the initial valuation.	5
It wouldn't have been a bargain, but the strategic advantages would have been very significant.	A
The process was good, many companies were interested, but the client wasn't transparent enough from the beginning.	B
This slowed down the process and made it difficult to communicate a clear investment opportunity to the buyers.	5
Maybe client was afraid to disclose everything from the beginning.	5
There was also an external consultant helping him to prepare the information. He did a good job, but it was an additional filter and the information he provided was not always consistent.	5
I think we conducted a good process and generated interest.	G
We should have analysed more in detail and challenge the client's information in the beginning of the process.	5
But think they are happy with our work.	G
The client is now 2 weeks out of office and will then decide how to proceed. Most likely he will want to wait one year and if his projections are met we can talk again to this potential buyer.	G

Content Analysis WINDOW

Statements made by the advisor	Element to be studied
WINDOW is a company that has started with a quite impressive product innovation almost two decades ago. A simple product targeted very precisely the need of almost every single household in the country and the company became quickly a well-known niche player with national and international sales.	G
Even if the main product's patent has expired a few years ago, the established brand and continued innovation have assured that the company is still profitable and further growing today. The founder and owner of the company has decided to retire and therefore would like to sell the business.	G
There has already been an unsuccessful attempt to sell the business two years ago, but since then the company has become less operationally dependent from the owner and now it is more likely to receive a reasonable offer.	10
The owner has been running this company since its foundation and no one else from the family has been involved. He would simple like to pass on the company to someone who continues producing the products that were invented; as long as he receives a reasonable cash out.	G
We have already started to contact a short list of selected potential buyers with a blind profile of the company to see if they are interested.	G
For those who are interested and sign a confidentiality agreement we have prepared an information memorandum as a basis for their indicative offers.	6
Only if there are interesting bids, the client is willing to provide more detailed information in a formal due diligence.	5
I will make sure that bids are all coming in around the end of the month so he can compare them and gets a good feeling of what the market is willing to offer.	1
Ideally, the bidding process will be competitive and we can optimize the price a little and force them to proceed to closing within the first semester of the year.	1
I am acting as a lead financial advisor and the company already has an external accountant and a lawyer that can help in the due diligence phase.	G
There are no additional people involved, it is a rather small deal.	G
Before the potential buyer signs a confidentiality agreement I don't even tell him what product the company is selling exactly. It is a niche market and it would be too easy to find out which company I am representing.	6
But once they sign a confidentiality agreement it is better to be fully transparent, even if the confidentiality agreement is difficult to be legally enforced.	5
But, the only damage to the company would be market rumors, there aren't any big secrets to be revealed in this case.	6
He still says he wants 20 Million (CHF), but according to the valuation which was done 2 years ago by the bank that represented him at that time was closer to 15 Million because of the patents that had just expired back then.	A
I think if we find the right buyer we can get 17 to 18 Million and get some of the non-operating cash paid out. When the client sees that this is what people are willing to pay, he will agree.	A
I think more can hardly be justified with the company as it is today, still with substantial risks because of the succession and the expired patents.	10
The bank did a DCF 2 years ago and the projections were not too bad. I could update it to get a slightly higher valuation, but I rather look at the comparable transactions because that is what bidders usually do.	A
Even if there isn't any companies which are exactly comparable, there were 7 or 8 similar transactions in the last 5 years and they all head EV/EBITDA multiples of 7 to 8x.	A
I don't think he will get 20 and he can't wait much longer as he is not in very good health.	A
He has to understand that even if he doesn't sell he will at least have to hire a manager to replace him and I don't see how the company could be worth CHF 20 Million with this increased risk.	10

You know how this is, even if it is a great product, some clients have been buying directly from <i>CLIENT</i> for 20 years.	G
If he is not personally answering their phone calls anymore, they are more likely to also consider his competitors' products and compare prices.	10
Also, the production has been extremely lean and efficient because he can trust the people who have been working for him; some of them since the beginning.	G
I think the timing is better than 2 years ago. The economy is doing better and some of the potential buyers have shown interest in growth by acquisition.	2
Only the banks are still very restrictive with leverage financing, but this put a side there is no reason to wait.	2
I guess, if consumer sentiment is not continuously improving or if there is any other major macroeconomic set back, it could become more difficult.	2
After having contacted 20 potential buyers, we have received 5 indicative offers and selected 3 bidders for an in depth due diligence, even if one clearly is to be the most likely buyer.	1
Not much has changed, but it is now confirmed that the momentum is quite good	2
5 bids, 2 from companies that are from the same sector and 3 from private investors that see <i>WINDOW</i> as a MBI opportunity	3
The interest from strategic buyers was not too high, but this is partly because some of them have already made a bid two years ago and already knew they were not going to bid more.	3
One strategic buyer offered USD 15 million in enterprise value and two private investors even a bit more if you count the earn-out payments in full; the others were significantly lower as they don't share our view on the positioning of the company now that the patents have expired.	3
The methods are essentially the same, even if the private bidders probably base their valuation exclusively on multiples. They should use a LBO model, but rather work with a low multiple for the cash offer and top it up with earn out payments based on a more generous multiple.	A
We didn't discuss in detail, but I can tell that all of them are using slightly lower projections or some sort of discount.	A
One strategic buyer who offers a bit less, but all cash and as they already know the company from 2 years ago, there won't be any surprises in the due diligence.	10
The two highest bids are from private investors, but they both suggest important conditional payments in the earn-out structure.	9
I explained the client that the higher offers can still be adjusted and he has a certain preference for the all cash offer.	A
If neither bidders nor the client change their mind this is the deal that should go through. I think we can still get a bit more for the non-operating cash.	1
It's the client's decision at the end of the day, but if no one offers at least USD 15 million, I wouldn't recommend him to sell.	A
However, in such a case we can work out some earn-out structure and might still reach an interesting deal.	9
It has to be easily measurable and should not create an incentive for the new owners to underperform. If they have to pay USD 1 million in a year that they just achieve the projected sales, they will prefer to underperform projections by just a little.	9
So, we usually recommend that they pay a percentage of the projected EBIT in a way that the seller gets the full value of the company if projected EBIT figures are achieved?	9
With the actual buyer it was straight forward, as they know the industry and have been in some sort of pre-due diligence with the company 2 years ago, including accounting and operational figures.	5
The legal and tax due diligence was quite light as there isn't anything too complex about the company.	5
The private investors took a bit longer but at one point this rather became a formality as we were ready to close with the strategic buyer.	8
Classic set up with a virtual data room, a site visit and management meetings. But when I say management meetings it was actually just with <i>CLIENT</i> .	7
There were no issues	10

The client understands now that the USD 16 million in cash plus 3 million in a three year earn-out is actually a really good deal. He would have to work another 10 years or so to get to the same.	9
So the client wanted USD 20 million and the initial offer was USD 15 million plus non-operating cash, which makes it an even USD 16 million.	A
In order to bridge the gap, I suggested an earn-out payment which is linked to the EBIT projected for the next 3 years.	9
This brought us very close together and with this buyer, the risk of not achieving the projections is significantly lower than with any of the private investors.	A
Absolutely, I am convinced that this is the maximum that is possible now.	A
In a few years it could have been more or less, depending on many factors but today it was a good deal for sure.	2
The buyer might have some synergies but it's mainly because they have the know how to manage the company.	3
They can just send out a project manager as an interim CEO and then integrate operations into their own.	G
This is way they were able to pay most of the price in cash, because that's obviously less risky.	A
It's difficult to say how much value was really created, but the additional product line and a few extra clients are pretty much on top of the price that was paid for the expected cash flow.	A
In theory it is the controlled auction that allows you to optimize the price, but in practice this only works if you have enough interest from the bidders.	8
Also, you can't always share the information on bids with the other parties involved if the offer submitted is confidential. In this case all went according to plan though, the most likely buyer knew that there were other interested parties and when we mentioned that the other parties offered attractive earn-out schemes they were willing to top their offer with earn-outs as well.	8
Just ask the client, I think he is quite happy with my work	G
Price maximization, minimization of time to closing and the risk to the transaction is exactly what our process is designed for.	A, B