



VCA Blog

September 27, 2017

One Secret

Vertical Capital Advisors Blog September 27, 2017

ALPHARETTA, GA – In a previous life I was a wealth manager – a really good one. I rose to the top of my profession, managing about 125 people and over \$6 billion in aggregate balances at the Private Bank at Bank of America. During that time, I advised many business owners to consider selling their businesses or at least a part of them because in the 2000 to 2007 timeframe, multiples were at the peak and the markets were red hot. Today the markets are white hot and multiples are even higher.

So here's my **One Secret**: Sell when the markets are high.

Sure, you can grow to \$100 million or \$1 billion with enough time and enough cash. Projections are always linear. It is very difficult to model exogenous events like financial market corrections. Getting the timing right is even more problematic and therein lies the challenge: we don't get to pick the timing of exogenous events. Business owners who did not follow the counsel they had paid to receive had to endure nearly a decade of struggle to get back to pre-recession levels in most cases. Many less fortunate businesses failed. A few slipped through unscathed but still could not monetize because there were simply very few buyers in the market for healthy, thriving companies. The financial community binged on the carcasses of failed and failing businesses, paying deeply distressed prices.

So I will grant you that my secret isn't a very good one. In fact most people wouldn't technically consider it a secret. Sometimes the best answers aren't derived from an artificial intelligence drive algorithm. Sometimes they come in the form of an email or a phone call from an associate at Vertical Capital Advisors asking, "Have you considered...?" We have run the algorithms to find your company, we have done our research and there is a reason we are reaching out.



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At Vertical Capital Advisors, we are most often engaged by industry leaders to be the bridge to the capital they need to fuel growth. We start with great leaders at great companies that have compelling, profitable business plans where the only missing ingredient is capital.

ABOUT VERTICAL

Vertical Capital Advisors is an Atlanta-area business advisory firm built on **creating tangible value** for our clients, serving clients in just about every industry. Our clients are both capital growers and capital allocators. How can Vertical help your firm maximize value?

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