Why Brokers, Lawyers, CPAs want Client Ownership

As a business broker, I have listened to many potential and actual clients. They have one thing that comes to mind quickly, CLIENT OWNERSHIP.

Since confidentiality is paramount at Lisiten Associates, we like to take client ownership. This ownership allows us to keep the confidentiality of the client’s business sale. If more than one broker works on selling a client’s company, most likely that confidentiality is out the window. There is no control as to what each broker is doing. One broker may be sending out your financials to anyone who sends in an NDA. We at lisiten explore the buying power and the legitimacy of the buyer’s intent. We are the only ones with true global market platforms. There are other M&A brokers who prepare documents to send to there high net worth clients. Some sell by the standard 3 websites, BizBuySell, BizQuest and BusinessBroker.com. Not really globally targeted and very low pull through. Most sites are under 30% pull through rate vs. Lisiten at over 90%.

The lawyer who is turned to by a seller of their business, most likely has been their lawyer for years. That lawyer may or may not actually be a business selling lawyer. Do you know how many of our clients have an actual business selling attorney? In my case zero, nodda, bubkas. They do have Matrimonial lawyers, **Personal Injury Lawyer**, **Estate Planning** **Lawyers**, **Bankruptcy Lawyers, Intellectual Property** **Lawyers, Employment Lawyers**, **Corporate Lawyers, Immigration Lawyer**s, **Criminal Lawyers.**

The right type of lawyer will save you money. The right type of lawyer has been in the practice of selling businesses not the attorney who’s selling your company as their introduction into business selling. Time is money that the seller spends when the attorney gets involved. The attorney who has sold business before understands what is involved for a smooth transaction.

The CPAs who get involved are very important to the process of selling your company is a very valid statement and arguably the most influential in the process.

They will scrutinize the financials and tax returns. They will inform the client of their decision as to “Does the deal make financial sense”?

They will take into account every number they can lay their hands on. Why, It’s their job.

The CPA will take ownership of their client and provide sound advice.

How many CPAs have I run into that have actually been in the process of selling a business? You guessed it NONE.

I have tried to figure out why my clients don’t know any attorneys or CPAs that have handled business sale transactions.

Then it dawned on me. What I have citing as client ownership runs deeper than I could imagine.

The Lawyers and CPAs are not just clients but friends. CPAs and Lawyers becoming part of the family in certain ways.

If the seller sells his business, The Lawyers and CPAs lose a client and a friend. That means that weekly or monthly get together is going away. The client, CPA, attorney has no longer the same dynamics it had for many years.

As a business broker we don’t have that same bond, we are the ones breaking that bond.

**NOT A BAD THING!**

**Sometimes the timing of selling a business dictates when to sell. For example, a hot market, tax reforms that have been put in place that may not be there in a couple of years. Baby Boomers selling their businesses at an ever-increasing rate. Buyer markets may become smaller as more businesses on the market are sold. If the seller’s market becomes over saturated then it becomes a buyer’s market. These should be entered as valid reasons for selling a business not ignored because of Attorney, CPA CLIENT OWNERSHIP and they are afraid to lose their client and friend.**