

Around the Web: A Month in Summary

A recent article posted on Forbes.com entitled “Small Business Owners Are Retiring, And Millennials May Not Fill The Gap On America’s Main Street” uses the closing of a 235-year-old hardware store to prove a startling fact: the Millennial generation may not be suited to take over small business ownership like the generations before them. In the case of Elwood Adams Hardware, which has seen a multitude of owners over the last almost two and a half centuries, the current owner simply couldn’t find a buyer.



While student loan debt and an inclination to pursue work in the gig economy may be factors in this unwillingness to take on small business ownership, their age may actually be the driving factor. The article mentions that the sweet spot for entrepreneurship is typically the 40’s, so it may take some time to truly see if millennials are suited for small business ownership.

[Click here to read the full article.](#)

A recent article from the Axial Forum entitled “Five Due Diligence Pitfalls and How to Avoid Them” outlines some common mistakes and pitfalls that are made during the due diligence process and gives tips on how to navigate the due diligence waters. The pitfalls include:

1. Missed Opportunities
2. Pointless Provisions
3. Red Flags at the 11th Hour
4. Poor Communication
5. Leaving Money on the Table

Avoiding these five things won’t guarantee success, but doing so can definitely help give an owner the best chance at success. Buying a business is not an easy process, but knowing what to expect, what to avoid, and how to maximize the value of a dollar can go a long way.

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A recent article posted on Divestopedia.com entitled “The Investment Banking Landscape: Different Types of M&A Firms” gives an overview of the different types of M&A firms as well as how they can be useful in different situations. Owners interested in selling should know how each type of firm works and how each could be of use to them during the sale of their business. The following represent these different types of firm:

1. Boutique Investment Firms
2. Regional Investment Banks
3. Bulge Bracket Investment Banks
4. M&A Advisory Firms
5. Business Brokerage

Each of these types of M&A firms has its own benefits and drawbacks, so it is very important for an owner to understand and explore the options available to them before settling on one.

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A recent article posted on BizBuySell.com entitled “Small Business Transactions Reach Record High As Buyers Shrug Off Amazon Effect” explores business transaction data from the third quarter of 2017. As outlined by the report, closed transactions numbered 2,589 in the third quarter, up 24% from the same time period last year. This quarter continues the overall trend of quarter-over-quarter growth in reported transactions going back two years.

Increases in median revenue and cash flow of sold businesses as well as a decrease in the median time to sell a business show a strengthening small business sector and an improving overall market. Although retail has taken a hit from the “Amazon Effect,” retail transactions are actually up 23% since this time last year. Read the full report by clicking the link below.

[Click here to read the full article.](#)

A recent article posted on BizJournals.com entitled “Closely-held Businesses Head Toward a Slippery Slope” explores a startling truth about small businesses in the United States: around 60 percent of owners will likely retire within the next 10 years. On the surface, this may sound unimportant or irrelevant to the small business world. But just beyond the surface lies the fact that almost 70 percent of successions fail. But still, what does this mean for the small business sector?

Finding a suitable well-trained successor will be of absolute necessity within the next 10 years for these 60 percent of retiring owners. Failure is inherently more common than success post-transition, so finding qualified individuals to take over will be paramount to continued small business success in the United States.

[Click here to read the full article.](#)

About CK Business Consultants, Inc.:

CK Business Consultants, Inc. has been dealing exclusively in the sale and acquisition of petroleum and propane related mid-market companies since 1976. We are qualified, experienced, and highly professional intermediaries working with both buyers and sellers in the successful transfer of business ownership. We handle all phases of the project including initial analysis, valuations, developing a confidential information memorandum, locating qualified buyers, negotiations, and execution of the transaction. For more information, please call or email Gary Papay @ 570-584-6488, gpapay@ckbc.net or visit our website @ www.ckbc.net.