

Choosing Your External Team

“Selling Your Lab Series” - Written By Darren Lemke, Approach Mgmt. Group Inc. 2011

Once you have made the decision to sell your dental laboratory and have committed to the internal process of preparing your lab for sale, it is time to choose your external team.

Your external team should consist of your accountant, your lawyer, your banker and your financial planner. In my past experience, it pays, in more ways than one, to have an external professional team that works well together. This is sometimes more difficult than it appears, as at times, professionals develop a thing called “ego”...I’m sure you have never encountered this before.

Your Accountant

First off, let’s talk about your accountant. Just like dental technicians, they are data orientated. They take the information provided, organize it, analyze the solutions and produce the best end result based on the information acquired. Just like a dental technician, not all accountants are proficient in all areas of the financial realm. Most are general practitioners, with knowledge in every area, but some decide to specialize. With the amount and frequency that tax laws and accounting rules change, it would require spending the majority of their time reading and attending courses to keep up to date. This is not a profitable solution for them.

When deciding on an accountant at the time of starting or selling your business, it is very important that you enlist the services of a tax specialist; an accountant specializing in Tax Planning. They, along with your lawyer, ensure that your company is structured properly to maximize your cash situation and minimize your tax, within the legal boundaries of the law. Tax specialists usually work closely with other accountants in a firm that will handle your everyday accounting matters. They work as an effective accounting team.

Your Lawyer

Secondly, let’s discuss your lawyer. When you make the decision to sell your laboratory, the lawyer handling your corporate filings and contracts, may not possess the specialization required to handle the sale of your laboratory. In smaller firms, they may not do a lot of business transaction deals. They may need to outsource these services to a firm specializing in business transactions, acquisitions and mergers.

Your Tax Specialist and Lawyer will be a key source and provide guidance when you decide to sell. Their expertise will help the transition proceed in a smooth manner.

Price Cuts on Your Bottom Line

Your Banker and Financial Planner

Along with the Accountant and Lawyer be sure to include your Banker and Financial Planner, in the communications with your Lawyer and Accountant.

Your financial planner needs to know your retirement plan and how the sale of your business fits into this plan. They should spend time with your tax specialist on these matters. It is always a good idea to develop a relationship with your banker. When you sell and would like to enter into another project, they will be there to ensure it will be looked after from a banking perspective. Having said that, depositing the proceeds from the sale of your business will ensure your banker wants to make you a happy customer.

It is important to meet with your tax specialist, lawyer and financial planner at least once a year to align and clarify your business intentions. Initiating open communication between the parties will ensure your interests are protected and you are on track to you achieve your retirement goals.

Many of you may already have people like this on your team. If not, you may want to review your team and make changes where needed. Remember, we pay these people for their expertise the same as a dentist pays for yours. The right external team, whether you are selling or starting out, will make it easier for you to achieve your goals and dreams.

For more information on completing the Internal Process For Sale, or other financial matters, contact Approach Management Group Inc. info@approachmg.com.