

When The Owner is a Reluctant Seller:
The Importance of Personal and Interpersonal Dynamics of the Sale

Helping a client sell their company—especially when they've been a reluctant seller in the past—takes not only experience executing a successful transaction, but also involves being a true advocate for the client—with a highly personal touch.

During the very recent sale of a client's software business for cash of multi-millions of dollars, and another multi-million dollar earn out, Steven Konowitz's fifteen years of experience as a mergers and acquisition attorney for multi-national, multi-hundred million dollar companies wasn't the only reason the sale of this client's company was successful. It was equally important that Steven took time to understand his client's perspective from a personal side. As a result, he focused first on the personal and interpersonal dynamics of the sale, and then on the transaction.

This client was referred to *Konowitz & Greenberg* when their large Boston based, multi-national law firm was unable to negotiate the sale to the client's satisfaction. The owner had seriously considered selling his business several times, but wasn't given the personal support he needed to pull the trigger and complete the sale.

What did it take to finally close the deal? Here are five lessons learned that leveraged personal attributes and interpersonal skills on both sides of the table:

1. **Be Optimistic and Never Waver:** From the first meeting with the owner, Steven told him, "I'll get this done for you, and on time." This was especially important as they hadn't worked together before, and had an aggressive timeline. No matter what happened throughout the deal-making process, Steven remained optimistic and reassuring to his client, and never wavered.
2. **Collaborate Closely with the Seller's Advisory Team:** Steven relied on the client's existing advisory team to help him take action on various terms of the deal. Collaborating with these trusted advisors made the client feel more comfortable with the recommendations he made as a new advisor on the client's team.
3. **Leverage the Broker to Help the Seller's Cause:** Getting to know the broker was also key to completing the deal on time. On several occasions during the negotiations, it was actually

the broker who convinced the buyer to accept certain terms of the seller. This was an important role reversal, and expedited the sale.

4. **Doggedly Negotiate the Terms:** When you're selling a company for multi-millions dollars, a few thousand dollars might not seem significant. Nevertheless, it was definitely in the best interest of the client—especially in this current economy—to doggedly negotiate for every dollar: whether from the sale itself, from the earn out, or from the owner's new employment agreement.

5. **It's All About the Client...Not the Documents:** As the selling attorney, it's often easy to get mired in the legal documents related to the sale. Selling a company is a highly personal experience, and remembering this as a guiding principle throughout the process was significant in completing the sale.

In the end, caring responsive teamwork, and personal attention that was lacking at this owner's former law firm helped this client sell his company. Remaining confident and optimistic, doggedly persistent, strategic in leveraging all of the advisors whether buyer's or seller's, and always advocating for the client's best interests was the real key to this owner's confidence in finally selling his business.

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