

Exit planning advisers join forces

Local professionals establish nonprofit arm to cope with coming wave of retiring boomers

By MICHELLE PARK
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With the aim of becoming a resource for small and midsize business owners, a group of 44 Northeast Ohio professionals is forming the nation's first local chapter of the Exit Planning Institute.

The institute is a Chicago-area nonprofit with a mission of assisting business owners in planning how they'll exit their companies. The institute's Greater Cleveland-Akron chapter is to incorporate in 30 days, according to Christopher Snider, who has led the effort to form the group.

Mr. Snider said the chapter will foster collaboration among attorneys, wealth managers, accountants and others who will assist what many believe to be a coming tsunami of baby boomers leaving their businesses.

"I know myself that when owners come to me, they're not prepared," said Mr. Snider, founder and president of Aspire Management Inc., a firm in Brunswick that provides exit planning, value enhancement and investment banking services. "I'd say none of them were prepared when they came to me."

Mr. Snider cited a book titled "The \$10 Trillion Opportunity," which asserts that about 7 million business owners will exit their busi-

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— Peter Christman, co-founder, Exit Planning Institute

nesses over the next 10 to 15 years, creating \$10 trillion in potential wealth transfer.

The local chapter aims to be an educational resource for business owners and a networking channel for advisers, Mr. Snider said. Plus, he'd like the group to develop best practices that can be shared.

"I just think as advisers, if we're working together on a common mission, something good is going to come out of it," Mr. Snider said.

"I told the EPI, we'll build a model here in Cleveland, and we can take it across the country and let the other (certified exit planning advisers) use it," he said.

Peter Christman, who co-authored "The \$10 Trillion Opportunity" and co-founded the Exit Planning Institute in 2005, calls the Greater Cleveland-Akron chapter the "prototype." The plan is to establish local groups in other cities, including Miami, Dallas, Atlanta and Detroit, he said.

"One out of two companies is

going to change hands in the next 10 to 15 years, so all the advisers whether wealth managers, financial planners, CPAs — want to be exposed and get involved in exit planning," Mr. Christman said.

In May, Mr. Snider hosted an exit planning awareness event, which about 85 people attended. It was there that the seed for the local chapter was planted.

On the agenda for the local group are educational events for business owners and advisers. The group also wants to conduct with partnering institutions research on exit planning, Mr. Snider said.

For example, he'd like to survey private equity firms to see what their experience has been as it relates to companies that have had exit plans in place. Did the firms pay more for such businesses? Did they find that those businesses were better because they had a plan?

Harold Maxfield Jr., a shareholder and board member with Cleveland law firm Cavitch Familo & Durkin, is setting up the legal structure of the chapter. He said he joined for the opportunity to network and to share ideas and clients.

Mr. Maxfield said many of the people he represents possess most of their wealth in the business, which makes exit planning all the more important. However, those owners are involved in running the business daily.

"It's difficult for them to focus on the next step," he said. ■

TravelCenters sees value in buying Westlake site

Company plans to retain current outside

By STAN BULLARD
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TravelCenters of America LLC likes the building that houses its headquarters operations in Westlake so much that it bought the property for \$5 million.

The structure, known as the Point 5 building, is at 24601 Center Ridge Road. Andy Rebholz, TravelCenters chief financial officer, said the company wanted to control its environment and believes the building will be a good investment compared with continuing to rent the structure. Its lease was slated to expire next year.

Mr. Rebholz said the company searched for other properties before deciding that "where we are is the best place for us."

TravelCenters does business, has about 350 employees in the building and occupies more than 75% of the 98,000-square-foot structure constructed in 1987. The operator of highway travel centers will expand in empty offices in the building, Mr. Rebholz said, but it plans to retain outside tenants who rent portions of the structure.

The seller of the five-story property was lender Investors Warranty Association of America, a unit of Dutch lender Aegon NV, which had

held it since June

Rebholz said. Vicki Maeder, a vice president of the Cleveland office of Ellis, described TravelCenters as "the natural buyer" because of its long relationship with Ms. Maeder was part of a person CB team that the lender in the transaction represented TravelCenters.

TravelCenters paid

"We had the cash preferred to put it in rather than have a loan," Rebholz said. "We can't get next door, but we have us as a tenant."

McKnight Properties of Pittsburgh in late 2002, the adjoining Point 6 building same lender for just

Even so, Cuyahoga County the Point 5 building it had been valued at \$10 million in 2002, could

TravelCenters operates gas refueling stations, centers, restaurant stores and employs people. Of its 165 stores, owned by Hospital of Newton, Mass., TravelCenters.