



ceocfointerviews.com
© All rights reserved
Issue: December 23, 2024



B2B CFO – Helping Business Owners Increase Value, Develop a Sound Exit Strategy and Profitably Sell their Companies



Jerry L. Mills
CEO

B2B CFO

www.b2bcfo.com

www.b2bexit.com

Contact:

Andrew Freeman
B2B CFO
afreeman@b2bcfo.com

Follow us on:

 <https://www.linkedin.com/company/b2b-cfo>

 <https://www.facebook.com/B2BCFO/>

Interview conducted by:

Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: *Mr. Mills, would tell us about B2B CFO and your initial focus of the company?*

Mr. Mills: We started as one person and we have grown to 110 professionals. At first, we focused solely on the CFO and helping companies to increase enterprise value, obtain bank loans, and become more efficient and profitable. That was the beginning of B2B CFO.

CEOCFO: *Why B2B EXIT and why was it the next logical step for you?*

Mr. Mills: It is the natural progression because as we were working with our clients and as they increased enterprise value, meaning that they became more valuable to buyers, they would eventually be approached to sell their companies. At first, we found that we lacked certain knowledge of how to help them. We also found out that people in the exit industry did not always work in the best interest of our clients. Our clients did not make as much money and they were charged too much money.

It was a natural progression of our skill set, it helped increase value. Our clients just needed more information; they needed to know their options to maximize their wealth when they sold their businesses.

CEOCFO: *It looks like B2B EXIT was launched about a year ago; what have you learned over that year, and what has changed in the approach?*

Mr. Mills: The change in the approach was that we have a tool to help our people and clients learn about the process of selling a business. For example, we published a book called The Exit Strategy Handbook. We recently helped a client sell

and the client read the book ten times because the owner wanted to absorb the knowledge that he needed to sell his business profitably.

We also invested in software that helps our clients to be able to sell and do due diligence which not only helps them increase enterprise value, but it also shortens the length of time when a buyer approaches and it decreases the cost to the owner.

In improving our skill set we created a certification course. It is called The Certified B2B Exit Advisor Program. We train our people so that they understand the language and the processes to help business owners maximize their yield when they sell their businesses.

CEOCFO: *How are you able to account for outside events such as the geopolitical scene when working with a client?*

Mr. Mills: We work solely with owners of private healthcare companies. About 95% of them ignore what is going on geopolitically; they are just working. They have their nose to the grind and they are smart. They take the attitude I have during my career in my company. We are going to try to make money regardless of the political situation. They are working hard when times are tough like the past little while. With inflation sometimes they have to be more efficient. In getting software applications sometimes they unfortunately have to lay some people off.

Most business owners myself included, we know things are going on and we know what is going on but it is sort of a side issue. We are focusing on producing goods and services for the consumer, collecting receivables, making payroll, moving ahead, and increasing the value of our business.

"One of the biggest mistakes business owners make is underselling their businesses because they don't know their options, leading to financial regret after taxes and fees." Jerry L. Mills

CEOCFO: *Would you give us an example of when you are working with a company and two of the points that you help them focus on or something you might look at that less knowledgeable people would not?*

Mr. Mills: You have heard the saying 'To a hammer everything looks like a nail.' That is what I discovered as we were going through this transition of working with B2B CFO and B2B EXIT. As we work with companies in the existing world, they usually have one way of doing things. When they look at a prospective buyer, the buyer looks like a nail. What we try to teach business owners and what we have discovered is there are a lot of options to sell your business. We want you to know which options are best for you.

Secondly, one of the worst things we have seen happen is as business owners are excited, they sell their businesses and then they get the check net of taxes and fees to the people who are investment bankers, and FINRA-regulated broker-dealers, and then they see the check is too low. They realize they have to lower their standard of living because they are not used to living on that kind of money. The check may look big but when you put it in a Morgan Stanley-type company they project out based on risk, then the owner will oftentimes say, "I wish I had not sold my business. I did not know I was going to have to sell my house to be able to live a comfortable standard of living."

One of the big take-home misses we have is that owners do not always know their options and they do not know the best options for them, they do not know how to get the best options, so they undersell. They do not have someone to help them look into the future so they know whether or not they can pay their mortgage, or what they will have to live on. The hammer and the nail adage is appropriate for our company. It sounds so simple just saying you are going to sell your business but it is not that simple, particularly after taxes, closing fees, and so forth.

CEOCFO: *Where is your target market?*

Mr. Mills: Right here in the United States, privately held and virtually any industry. What buyers look at is the value of the company. There are a lot of different ways to value a company. We are looking at a value of between \$20 million to \$350 million, which is typical of what buyers want.

CEOCFO: *Since you are working throughout the United States, how do you get a good knowledge about markets?*

Mr. Mills: I love that question. In our award winning book that we published, *The Exit Strategy Handbook*, we have a chapter where we advise the business owner to start building a team of professionals, years before they make the transaction and sell. In every market we have in one of the chapters of our book where a business owner will hire team players, we are one of the team players, and we have about a dozen team players on the team we call a success team. When we have a successful team built of local professionals such as bankers, attorneys, IT specialists, and so forth we can with those local players advise the business owner of what is happening in that particular city or state.

What is happening in Arizona or New York is irrelevant, so we want to build a team of professionals to advise the business owner. In our book it explains what every professional should be doing on the team. That is how we address that, we say let's get local people in the city or state and list work on what we can do to build value for the owner and go through a transaction based upon issues in that particular city or state.

CEOCFO: *How do you reach out to prospective clients?*

Mr. Mills: We do not do the typical things like emailing, mass mail, or cold-calling, ours is total business development. We join networking and coaching groups and we visit with bankers, attorneys, CPAs, and other professionals. We reach out in a non-sales way and explain what we do. They introduce us to business owners who might need help in that area.

CEOCFO: *What does 2025 look like for B2B CFO and B2B Exit?*

Mr. Mills: 2025 probably will be the best year in the history of our firm. Some of that has to do with the fact that we are getting towards the end of the Baby Boomer generation and what we have found in our surveys is that the children of the Baby Boomers do not want to take over the businesses.

What we have been doing is attracting businesses through a methodical process. There is so much money on the streets, billions of dollars for acquisitions. 2025 can be a wonderful year for us regardless of the political climate. There is money and knowledge out there. There is excitement on the streets, so I think it is going to be one of our best years ever.

