

SBM Case Study: Reiter & Schiller, P.A.



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Tom Reiter, president of Reiter & Schiller, P.A., was thinking about selling his 23-year old firm. "As a law firm specializing in foreclosures, our business was looking increasingly rosy, and I had visions of early retirement." Reiter casually mentioned the idea to Art Dickinson, of Moss & Barnett. "Art had worked with Jerry Clark and his firm, SealedBid, on several transactions. He thought there might be a fit and urged me to call Jerry."

That recommendation proved providential. "I liked Jerry immediately. There was no pressure, no push, just a thorough, careful explanation of the process of a successful business sale," Tom said. "I told Jerry I would think about it, and hung up the phone. An hour later, I called him back and said 'let's go for it.'"

As founder and principal, "I pretty much ran the checkbook out of my vest pocket," Reiter said. He and the SealedBid Team spent the next six months "working shoulder to shoulder, assembling the firm's history, getting its books into presentable order and doing the polishing that prospective buyers require."

Initial discussions focused on finding a strategic buyer that would enable Tom to "walk off into the sunset." But Clark recognized his client was having some emotional issues over the sale, particularly with the challenge of finding a buyer who would value the firm's unique culture. "Here we were," Reiter said, "a law firm generating \$16-18 million in revenues, but we didn't look or act like most firms. Our rules were loose - no set hours, no dress code, just a lot of latitude for people to work at their own pace but be very productive."

“unlocked additional value”

because they would know it was key to the firm's continuing success — might be Reiter & Schiller's own attorney staff. Tom liked the idea immediately. “Going down that road felt good, because it could establish a path for future succession.”

The drawback was that the four buying attorneys lacked the significant down payment involved. “Jerry solved that problem for us, too. He lined up the banks first, then found a way in which the deal could be self-financed when that was my preference.” Reiter said that Clark “held my hand, and the hands of my buyers throughout the entire process. He painstakingly picked through every detail.”

“When I asked why I should use SealedBid when they were first recommended to me, the answer I got was ‘Jerry Clark will add value to your transaction.’ And that's exactly what he did. He substantially increased the purchase price from my original estimates, set the stage for a large monthly payments and a future earn-out and structured a deal that doesn't saddle the firm with debt it can't handle.” Clark also unlocked additional value, showing Reiter how a piece of the firm, a title company, could be spun off and retained by him as a separate company.

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Looking back, Reiter said he particularly liked SealedBid's holistic approach. “Jerry and his team look at the entire transaction, the personal and emotional part of it as well as the technical. That made an awful lot of sense to me.” The proof is clearly in the results, Tom says. “I wake up every morning with a smile on my face!”

Clark suggested that the best buyers — most likely to preserve that culture

SealedBid is an M&A firm focused on lower mid-market companies with revenues ranging from \$2 million to over \$50 million.

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