

Play #8: Framing the Future

EP Play #8

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Play 8, Framing the Future. Getting the seller to envision a better exit. Now that you've positioned partnering for equity as the logical solution to the business's transfer of value issues, it's time to help the seller emotionally and intellectually invest in this new path. At this point in the conversation, they've likely realized several uncomfortable truths. They can't get the dream all cash exit they initially hoped for. A traditional buyer won't be able to finance the acquisition as things stand, shutting down and walking away would mean leaving significant value on the table. What they don't yet fully appreciate is how much better this new partnership structure could be for them. Your job is to help them see it without appearing desperate, without overselling, and without showing your cards too soon. Why this step makes or breaks the deal? This Framing Conversation is critical for several reasons. It creates excitement and buy-in. Instead of feeling stuck with a business they can't sell, owners begin to see a path forward that potentially leads to an even better outcome. It shifts the narrative from loss to opportunity, rather than focusing on what they're giving up. The immediate all cash exit, they start envisioning what they could gain through partnership. It positions you as their advocate. You're no longer perceived as just another buyer seeking a deal, but rather as someone genuinely interested in helping them achieve their goals. It maintains your leverage. Throughout this process, the business owners should feel that working with you is a privilege, not something you desperately need. When done correctly, this conversation transforms a potentially disappointing situation into an exciting new possibility. The seller moves from reluctant acceptance to genuine enthusiasm about partnering with you. The transition. What if we did this a smarter way? This is the pivotal moment where you shift from this business isn't financial as is to, but there's a way for us to create the exit you want together. Let me walk you through how this conversation typically unfolds with the exact language I've used successfully in numerous deals. The talk track, maintaining leverage while building vision. One, acknowledge their situation. I completely understand why you're looking to sell. You've built something valuable here, and you deserve to get a return on all the work you've put into this business. This simple acknowledgement shows empathy and validates their desire for an exit. It creates a foundation of mutual understanding before presenting alternatives. Two, highlight the problem, but with optimism. The challenge we're facing is that, given how the business is currently structured, traditional financing just isn't going to work at the valuation you need, but that doesn't mean you can't achieve your goals. It just means we might need to take a different approach to get there. Notice how this frames the issue as a shared challenge we're facing rather

than their problem alone. It acknowledges the reality while immediately offering hope. Three, introduce the smarter path. What if instead of settling for less than you deserve or walking away frustrated, we work together to get your business to a place where it's truly ready for the exit you want? This question opens the door to a new possibility without pushing a specific arrangement yet. It plants the seed that partnership could lead to a better outcome than an immediate but compromised sale. Four, paint the vision. Imagine this scenario. Twelve months from now, your business is running smoothly with systems that don't depend on you personally. Profits are up significantly. The customer base is diversified so banks aren't worried about concentration risk. And instead of struggling to find a buyer who will pay what you're asking, you have multiple interested parties competing for the opportunity. This vivid picture helps them visualize a concrete future, one that solves their current challenges. It's specific enough to be compelling but realistic enough to be believable. Five, lean out and keep leverage. Now, I want to be completely straightforward with you. I don't typically take on projects like this unless I really believe in both the business and the person running it. I already have several revenue generating ventures, so stepping in would mean putting something else on pause, but I see real potential here and I think we might work well together. This crucial step establishes that you're not desperate for the deal. It positions your involvement as selective and valuable, which maintains your negotiating leverage. Never appear more eager for the partnership than they are. Six, pivot to the offer. If you're open to exploring this approach, I'd be willing to bring my expertise, my team, and my connections to help address the areas that are currently holding the business back. We could focus on growing revenue, making the business more attractive to lenders and buyers, and setting you up for a much stronger exit, whether that's to a third party or potentially to me when the time is right. This outlines the potential arrangement in broad strokes without getting into specific equity percentages or terms yet. It emphasizes the value you'll bring while keeping the exit as the focal point. Seven, reinforce that this needs to be a fit for both parties. I want to be clear that I don't know yet if this is the right fit for either of us. I'd want to take a deeper look at the opportunities, get clearer on what success would look like for both of us, and make sure this is worth our combined time and energy. But if it is the right fit, I believe we could create a plan that gets you where you want to be without forcing you into a fire sale or walking away empty-handed. This final element reinforces your selectivity while acknowledging that mutual fit is essential. It prevents the owner from feeling that you're pushing them into a decision while keeping the conversation moving forward. Customizing the offer based on their true goals. At this stage, you need to align your proposed structure with what the seller genuinely wants. This requires careful listening during discovery to understand their deeper motivations. Different owners have different primary concerns, and your framing should address their specific situation. If they're overwhelmed and burned out, this partnership would allow you to step back from the day-to-day operations that are consuming all your time while I handle those aspects of the business. You could focus on the parts you actually enjoy while we build more value together. If they're stressed about revenue, my primary focus would be fixing the customer acquisition issues and stabilizing cash flow. Imagine not having to worry about meeting payroll or whether next month will bring enough business. If they want more money but can't sell now, by addressing these specific

issues, we could potentially increase the business's value by two to three times before selling. That means even after accounting for my equity stake, you could walk away with substantially more than you'd get in a sale today. If they're tired but don't want to shut down, this approach gives you a gradual transition where you can reduce your involvement over time while still benefiting financially from the business you've built. If they're still ambitious but stuck, together we could take this business to levels that would be difficult to achieve alone. I can bring the growth strategies and systems that could transform this from a solid local business into a regional or even national player. The key is customizing your message to address their specific pain points and aspirations. This demonstrates that you've truly listened and understood what matters to them personally. Maintaining the right mindset. You're not selling, you're allowing. Throughout this conversation, maintain the mindset that you're not trying to sell the owner on this arrangement. You're simply presenting an option that might work for both of you. If and only if there's genuine alignment, the subtle psychological difference is crucial when you're selling, you push and persuade. When you're allowing, you present and permit. The latter approach maintains your leverage while creating a pull rather than a push dynamic. The business owner should feel drawn toward working with you rather than being convinced to do so. I found that this leaning out approach where you express interest but maintain professional distance creates far more successful partnerships than eager persuasion. Business owners intuitively value what seems selective and exclusive. Your next implementation steps. As you incorporate this framing approach into your conversations, use storytelling, share examples, without breaching confidentiality of other owners who took this path and achieved successful outcomes. Real-world examples make the opportunity more tangible. Get them to imagine their improved future. Ask questions like, what would it mean for you personally if you could finally take a real vacation without worrying about the business falling apart? Or how would it feel to eventually exit with twice the valuation you might get today? Maintain power and leverage. Consistently reinforce that you're selective about partnerships. Instead of saying, I can help. Say, if this is the right fit, we might be able to create something valuable together. Make the next step simple and low-risk. Don't ask for commitment to a full partnership immediately. Suggest a natural next step. Let's map out what this could look like in more detail. No commitment yet. Just a conversation to see if the approach makes sense for both of us. Why this approach works so effectively? This framing strategy works because it avoids chasing. The owner feels pulled toward you as the solution rather than pushed into a decision. Prevents loss aversion. Instead of focusing on giving up equity, which triggers psychological resistance, it emphasizes gaining a better outcome. Preserves your leverage. The owner understands that working with you requires mutual fit and involves a trade-off on your part as well. Builds genuine momentum. Rather than forcing a premature decision, it creates natural progression toward partnership. By the end of this conversation, if executed properly, the business owner should be actively interested in exploring the partnership further. They should see you not as someone trying to take advantage of their situation, but as potentially the key to achieving what they truly want. With this vision established and thereby insecure, you're ready to move into more concrete discussions about structure, terms, and implementation. Dealmaker checkpoint. Before moving to the next play, ensure you've mastered

these key elements. One, practice painting a vision of a better future that specifically addresses the owner's unique situation and goals. Two, develop your lean-out language that positions you as selective about partnerships rather than eager for any deal. Three, prepare stories of similar situations where this approach led to successful outcomes for all parties. Four, create a simple next step that maintains momentum without pushing for premature commitment. Remember, your ability to help the owner envision a better future through partnership than they could achieve alone is often the difference between deals that advance and conversations that stall. In the next play, we'll explore how to negotiate terms and set proper expectations, locking in the structure while preventing future misunderstandings.