



Exit Strategies for Startups

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June 7, 2011

WHY DO YOU START A COMPANY?



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- ❑ I have a great idea (product, service) and I want to implement it into a successful business
- ❑ I can't stand my boss and I want to be my own boss
- ❑ I lost my job and don't know what else to do
- ❑ I have a clear vision of how to monetize my idea and bring it to successful exit for myself and my investors

WHEN TO START THINKING OF EXIT?

Business Plan:

- *Executive Summary*
- *Product/Services*
- *Marketing Plan*
- *Management*
- *Customers & Vendors*
- *Financial Plan*

WHEN TO START THINKING OF EXIT?

Business Plan:

- *Executive Summary*
- ***EXIT STRATEGY***
- *Product/Services*
- *Marketing Plan*
- *Management*
- *Customers & Vendors*
- *Financial Plan*

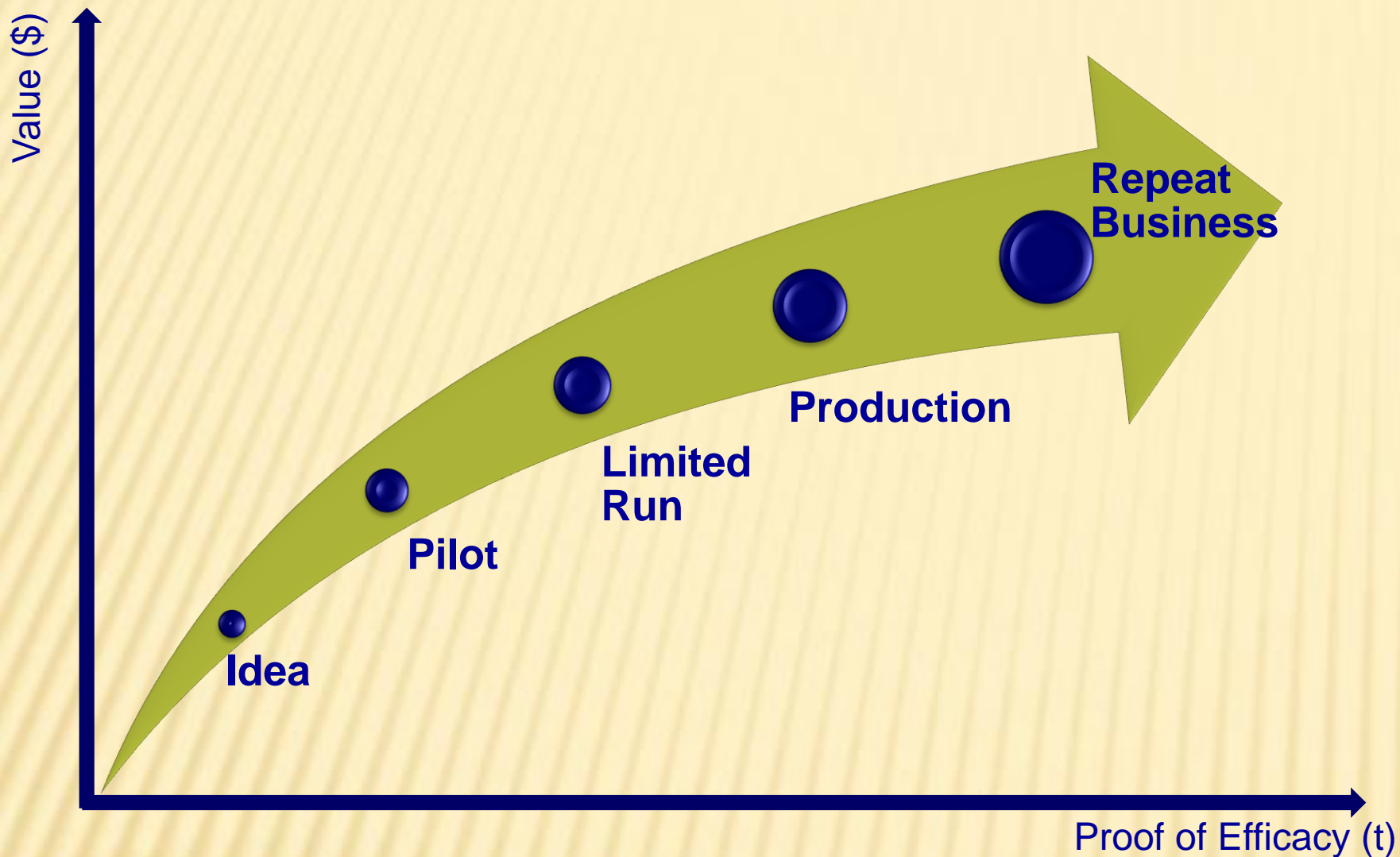
*If your business requires investors –
- you must have an exit strategy*

TIMING THE EXIT

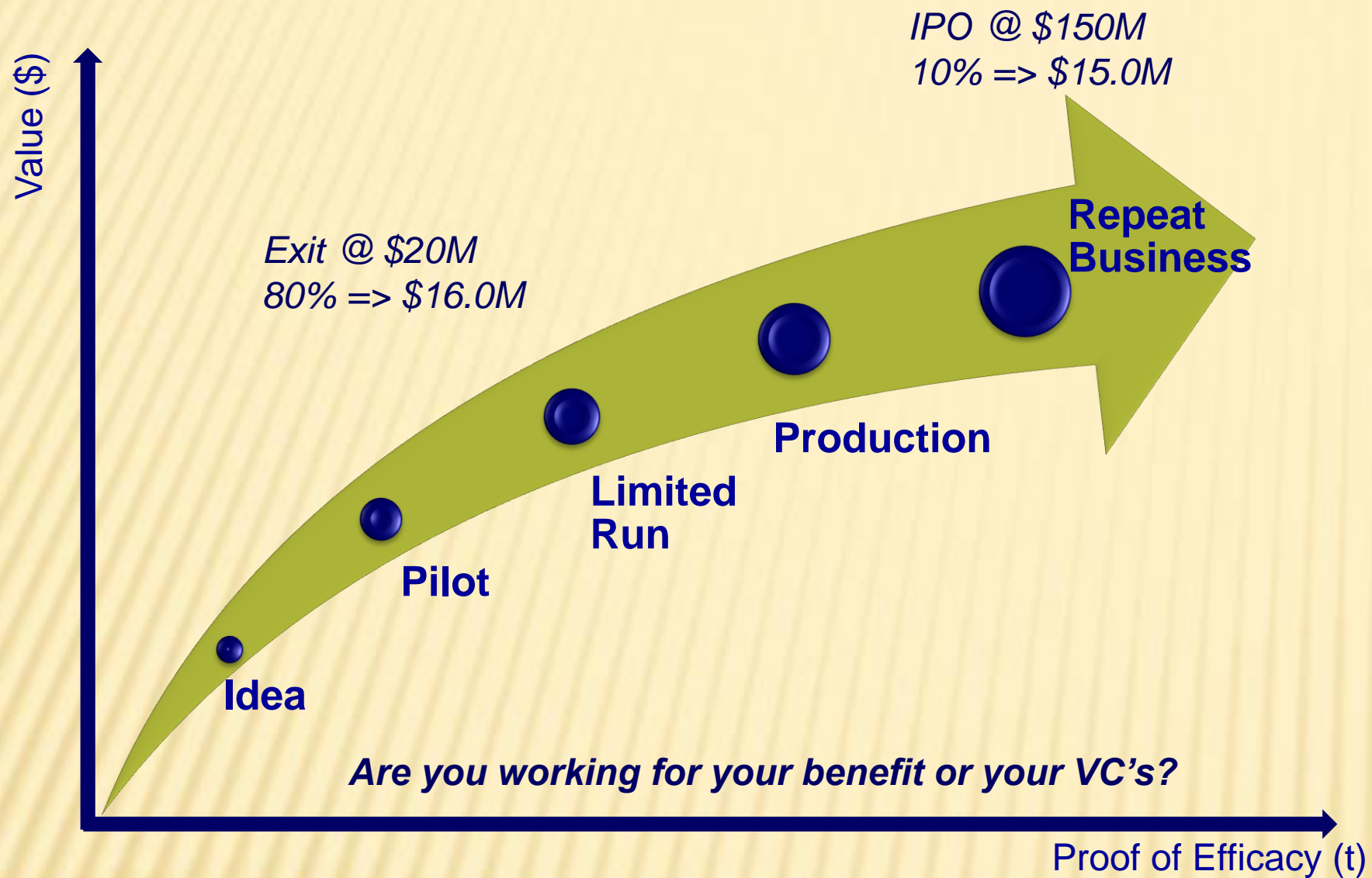
- ★ Personal Preferences (*Burn Out, Retirement, Cash-Out/ Diversification, Illness*)
- ★ Business Performance (*Business cycle, Competition, Management*)
- ★ Economic Climate (*Credit Availability, Economic Cycle, Interest Rates, Gross Domestic Product (GDP), Employment*)

*Exit planning is monetizing the highest value
at the right time*

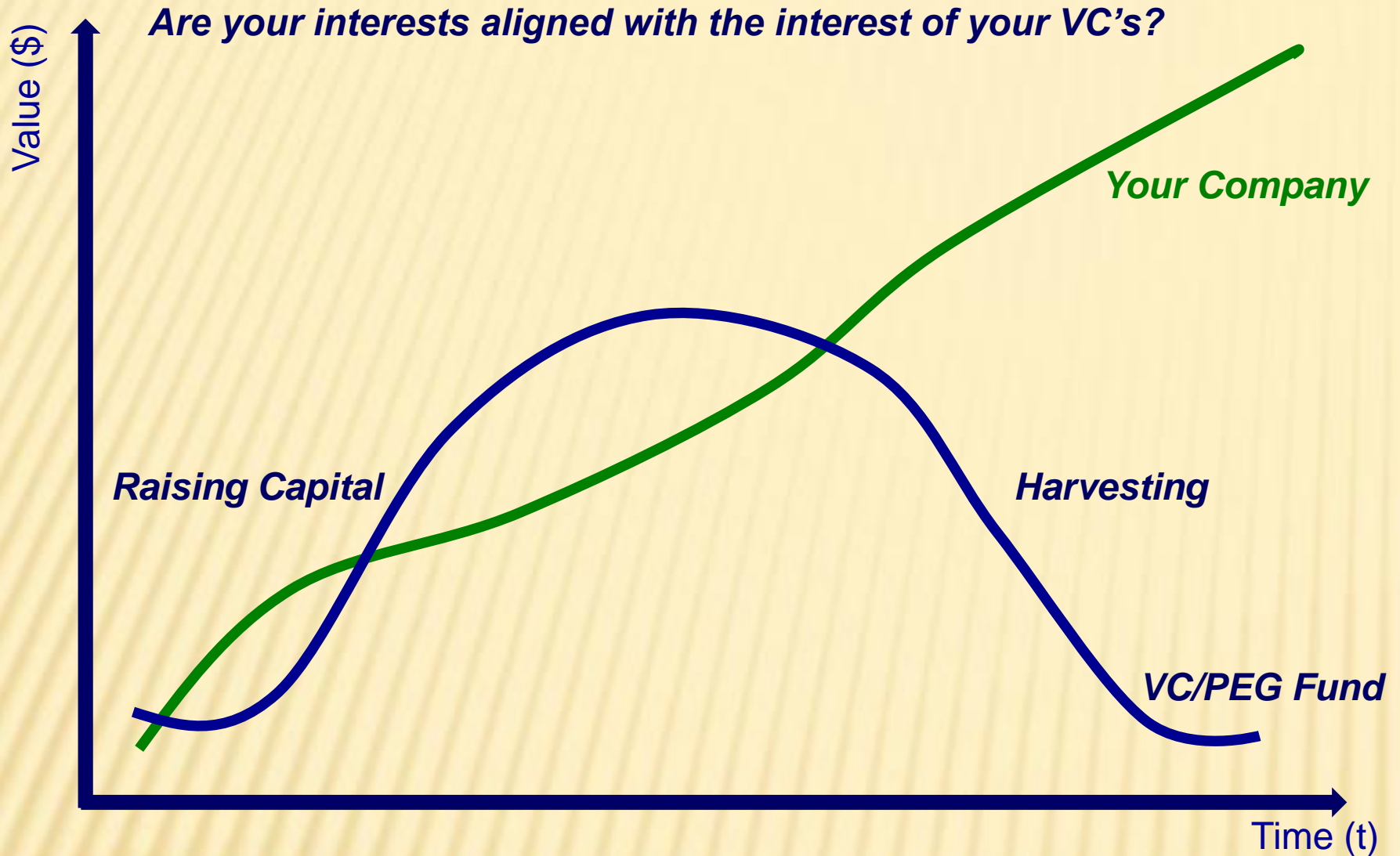
TIMING THE EXIT (CONTINUED)



TIMING THE EXIT (CONTINUED)



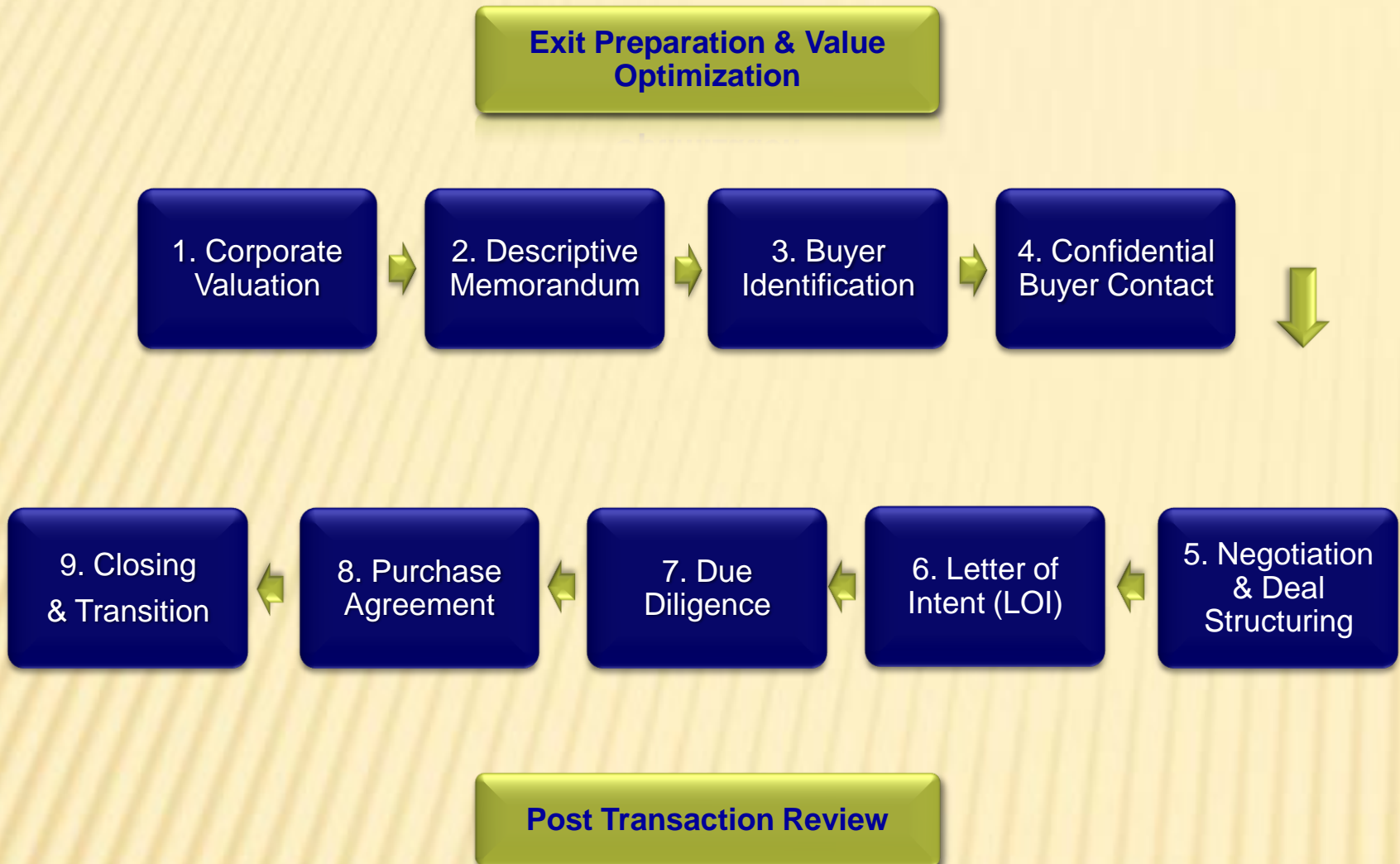
TIMING THE INVESTMENT (VC/PEG)



WHY EXIT EARLY

- ❑ The skill set to start a business is different from the skill set to run a business (\$5M, \$25M, \$100M)
- ❑ Leverage on your core competencies (entrepreneur, CEO, employee, investor)
- ❑ Consider Time Value of Money and Risk

EXIT IS A PROCESS



THE EXIT PLANNING TEAM



Questions

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