



**Protecting
your business,
your people,
and your future.**

EXIT PLANNING
IS ESSENTIAL.

RLF

ROSENBLATT
LAW FIRM



A NOTE FROM JAMES



When I founded ROSENBLATT LAW FIRM in 2005, my vision was simple: to give business owners practical, business-minded legal guidance they could trust.

This year marks our 20th anniversary. Over these two decades, we have had the privilege of advising clients across San Antonio, Austin, and Houston. Each story is different, but the core challenge is the same: protecting what you have built and planning for what comes next.

Exit planning is not about stepping away—it is about preparing. It is about securing the value of your business, protecting your people, and aligning the transition with your goals and legacy.

At ROSENBLATT LAW FIRM, we know legal challenges don’t exist in isolation. They must be considered in light of broader business and personal goals. Our philosophy has always been to integrate legal insight with a deep understanding of our clients’ individual objectives.

We are guided by our core values of integrity, excellence, and dedication, and we are committed to providing clear communication, personalized service, and trusted guidance our clients can rely on every step of the way. With offices in San Antonio, Austin, and Houston, our reach has grown, but our purpose remains the same: to provide personalized legal solutions focused at the crossroads of business and life.

We created this guide to help you start that conversation. Whether your exit is years away or just around the corner, it is never too early to plan.

Most sincerely,

James D. Rosenblatt
President



90% of U.S. businesses are family-owned or controlled.

30–40% of family owners expecting to retire in five years have selected a successor.

30% Family-owned or controlled companies succeed into second generation.

12% succeed into the third generation.

Four key reasons to plan early:



Planning for
a Disaster



Optimize
Cash Flow



Ensure Tax
Compliance



New
Beginnings

WHAT IS EXIT PLANNING?

Exit planning builds a clear path for what happens when ownership changes. Whether you sell, transfer to family or management, or step back from daily operations. It aligns financial outcomes with personal goals and protects the people who keep the business moving.

Why it Matters

Starting early increases options, improves valuation control, and reduces execution risk. Owners who plan can choose the timing, shape the narrative, and avoid last-minute concessions.

When to begin

The best time is years before an exit.
The second-best time is now.



***Exit planning is not about leaving,
it is about securing your legacy.***

DUE DILIGENCE ESSENTIALS

What buyers will expect you to provide:

Financial: up-to-date statements, tax returns, clean records

Legal: contracts, leases, intellectual property, compliance documents

Commercial: customer list, sales data, pipeline/renewals

Operations: org chart, key processes, vendor agreements, assets

HR: employee roster, contracts, benefits, policies

Risk & Insurance: policies, claims history, contingency plans

Getting this right builds buyer confidence, protects value, and speeds up the deal. This is where a law firm adds real strength.

THE ROADMAP AT A GLANCE

Every successful exit follows a disciplined sequence.

1

Prepare

Define objectives
Select a strategy
Value the business
Address tax and legal implications

2

Strengthen & Align

Improve operations
Build a succession plan
Update estate plan
Select the advisor team

3

Execute

Prepare due diligence
Plan for personal transition
Close and communicate

CASE NOTE:

A founder who began planning three years ahead realized value was being hurt by customer concentration and poor processes. The business sold above typical market multiples by focusing on these issues.

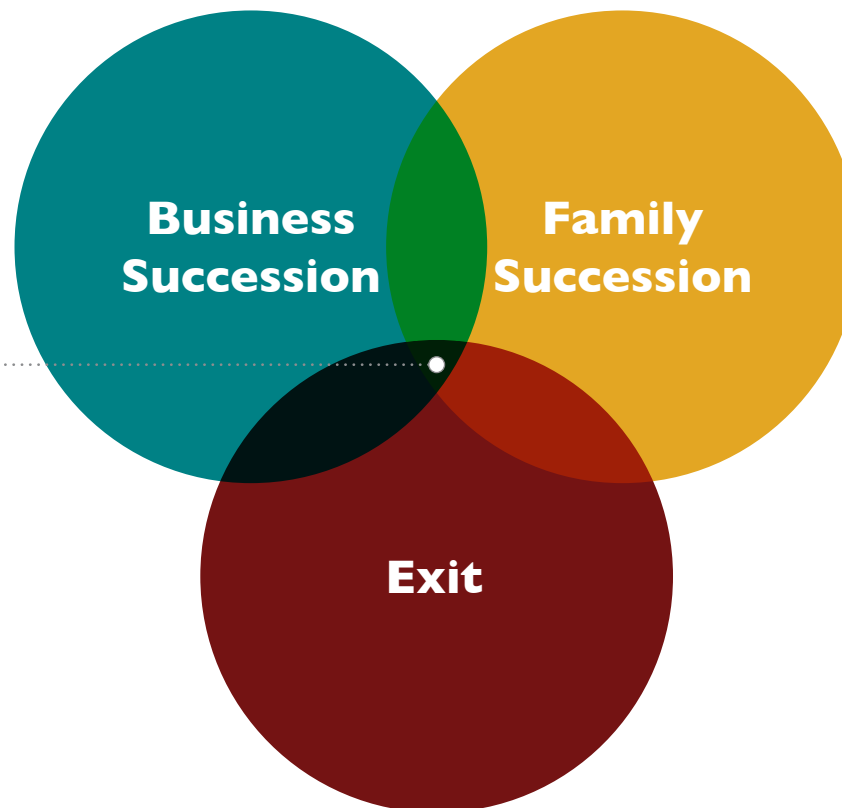
THREE PATHS, ONE GOAL: A SUCCESSFUL TRANSITION

ESTATE PLANNING:

Goal: preserve and transfer wealth according to the owner's wishes

Focus: align assets with post-exit lifestyle, family, and charitable goals

Process: establish trusts, structure tax-efficient transfers, plan generational and philanthropic giving



Business Succession Planning:

Goal: sustain operations through leadership continuity

Focus: prepare future leaders for key roles

Process: identify successors, train, set a timeline

Family Succession Planning:

Goal: maintain family ownership/control

Focus: pass business to next generation

Process: manage family dynamics, governance, communication, training

Exit Planning:

Goal: align with the owner's personal and financial goals

Focus: prepare for sale, transfer, or closure

Process: financial planning, valuation, tax strategy, maximize return

BUYER TYPES

Strategic Buyers

Valuation: These buyers might be willing to pay a premium for a company if they perceive strong strategic value that benefits their current operations or long-term goals.

Integration: Post-acquisition, strategic buyers typically integrate the acquired company into their own operations.

Financial Buyers

Valuation: These buyers often base their valuation on future cash flow projections and exit strategies, aiming for strong financial returns.

Management: These buyers may keep existing or bring in new management to improve financial performance. They focus on the balance sheet, reducing costs, and improving profitability.

WHICH PATH FITS YOUR GOALS?

Different strategies optimize for different outcomes—control, liquidity, continuity, or culture.

Two Snapshots

- 1 **Family succession:** Ownership transfers to a family member who has been leading operations; valuation is balanced with continuity and mentoring.
- 2 **Outside sale:** A strategic buyer pays a premium for customers and intellectual property; the owner typically remains in an advisory role for a period of time to preserve relationships.

Options to consider

- Sale to an outside buyer
- Family succession
- Management buyout (MBO)
- Employee Stock Ownership Plan
- Tax consequences
- Retain ownership / hire management
- Liquidation
- Franchising / co-owner transfer



TIP

Revisit your exit strategy every three to five years, as market cycles, your business, and personal goals evolve.

INSIGHTS FOR A BETTER TRANSITION

1

Financial discipline

Clean, gapless financials and quality-of-earnings ready

Tax modeling that anticipates structure, timing, and proceeds

2

Operational readiness

Documented processes; transferable contracts and Intellectual Property

Leadership bench and incentives aligned with the transition

3

Deal process

Early preparation with organized records

Multiple bidders and timely communication

BUILD STRONG OPERATIONS

If planning a sale, sustainability adds value and strengthens the final price.

Management

How will the owner's exit affect leadership?

Contracts

Are agreements assignable and protective for the buyer?

Financials

Can current success be repeated after sale?

Assets

Are all critical assets part of the deal?

Sales

Will revenue remain steady post-exit?

Processes

Can operations be reproduced reliably?

If the answer to these questions is not "yes," further work is needed prior to an exit.

Business Valuation

The right approach is key to valuation. Methods include:



Market Approach

Compares companies and past deals.



Income Approach

Projects future cash flow.



Asset Approach

Values assets minus liabilities.

Often, multiple methods are combined to validate results.

CASE NOTE:

By converting forty percent of revenue to renewable agreements and tightening working-capital terms, one owner lifted valuation by more than a third before going to market



What do you want
your legacy to be?

PEOPLE CARRY THE LEGACY FORWARD.

PROTECTING WHAT MATTERS MOST

Employees

Clarity on roles, retention, and benefits continuity

Customers

Transition messaging and service continuity plans

Family

Governance, roles, and expectations documented

Questions for your leadership team

Who is the daily back-up for each critical role?

What knowledge is undocumented?

What would a buyer worry about on day one?



A PEOPLE-FIRST TRANSITION PROTECTS
MORE THAN VALUE—IT PROTECTS LEGACY.



OUR PERSPECTIVE

We believe legal strategy must align with life strategy. For twenty years we have helped Texas owners grow, protect, and transition their businesses with a calm, pragmatic approach.

Why clients choose us

Business-minded counsel grounded in real-world operations

Responsive teams across San Antonio, Houston, and Austin

Experience guiding complex, multi-party transactions

A brief timeline

2005—Founded in San Antonio

2012—Added multiple departments to address client needs

2024—Launched Houston and Austin offices

2025—20 years in business with 40 employees, 16 practice areas, and 19 attorneys.

Areas of Practice

Appellate Law & Motions
Business Law
Collaborative Divorce
Construction & Liens
Dealer Contracts
Employment

Estate Planning,
Probate, & Guardianship
Exit/Strategic Planning
Government Contracting
Healthcare
IT & Cybersecurity

Litigation
Mergers & Acquisitions
Non-Profit
Oil & Gas
Real Estate
Trademark & Copyright

CLOSING NOTE

We designed this guide to help you think clearly about the road ahead. If you would like to talk through options, we are ready to listen and plan with you.

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LET’S PLAN YOUR NEXT CHAPTER

A NOTE FROM RaLF

Hi there, I’m RaLF

Chief Greeter, morale booster, and professional pup-a-legal. I keep watch over the office while the humans handle the serious stuff, but even I know exit planning is about protecting the pack. Around here, we believe every business (and every good dog) deserves a safe, happy next chapter. Now, if you’ll excuse me, I’ve got important work to do: wagging my tail and keeping everyone smiling.

With a happy woof,



RaLF



**Every good exit
has a strong plan.**
START YOURS HERE.



INTEGRITY. EXCELLENCE. DEDICATION.