



Increasing the thread count

The Capital ESOP Group

The client:

- An owner and operator of a textile manufacturing company in New York City.

The background:

- The business owner met with Keith Apton to learn about his various options to transition the business. While he was intrigued by the option of selling to an ESOP, the client and his advisors decided that the timing wasn't right.
- A few months later, he was presented with an unsolicited offer from a strategic buyer.

The approach:

- The owner's financial advisor encouraged him to re-engage The Capital ESOP Group to analyze and model the different scenarios, helping to ensure that he received the best deal possible.
- Keith Apton advised the business owner to run a dual-track process to simultaneously evaluate the ESOP transaction and the strategic buyer's offer. This allowed him to directly compare the different scenarios and the possible outcomes for the family, the company, and the employees.
- The Capital ESOP Group worked with a boutique investment bank who leveraged the tax-advantaged price of selling the business to an ESOP in their negotiations, ultimately leading the strategic buyer to submit a higher offer.

The solution and its benefits:

- Thanks to The Capital ESOP Group's dedication and creativity and the investment bank's ability to negotiate, the strategic buyer felt the pressure and made an offer that was *over 30% higher* than his original, unsolicited offer – and higher than the tax-advantaged price of selling to an ESOP.
- The owner accepted and closed the deal with significantly more liquidity than he would have received accepting the original offer.

Think you may have a potential ESOP deal?

1. Review our [website](#) to learn more about how we may be able to help you.
2. Review the "[Guide to ESOPs](#)"
3. To start a conversation, please reach out to:

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