

## Keeping **THE SECRET**

BY **KEMP ANDERSON**

**T**he decision to sell your business is a pivotal moment that comes with a plethora of considerations. One of the most challenging aspects is determining when and how to inform your employees about the impending sale. While transparency is generally valued and a great guide to any transaction, there are scenarios in which revealing the sale too soon could have detrimental effects. Let's consider why keeping the news of your business sale under wraps until the day of closing might be the best strategic choice.

There are many things to consider when deciding to keep the secret:

### **Employee Emotional Distress and Uncertainty**

Announcing a business sale prematurely can cause emotional distress and uncertainty among employees. The mere speculation about potential changes in leadership, company culture, or job security can lead to anxiety and decreased morale. By waiting until the deal is finalized, you shield your employees from unnecessary stress and allow them to focus on their roles.

### **Employee Non-Competes or Non-Solicits**

Informing employees about the sale early could lead to concerns about job security and future opportunities. This might prompt key employees to seek employment elsewhere, leaving the company understaffed or losing critical talent to competitors. Does your company have enforceable non solicit agreements in place which are written specifically to the state statute for non competes and non-solicits in the state that you own and operate your business? If you are in multiple states, you may need multiple non-compete and or non-solicit agreements that are enforceable in each state that your company operates in. This is a key thing for all sellers to be



aware of and it is a subject all buyers will investigate or inspect. It is at the core of protecting the key asset of a service or pest control company and that asset is the customer base.

### **Involving Buyers in the Message**

Buyers often invest not only in the company's assets but also in its employees. Involving them in crafting the message of the sale ensures a consistent narrative that aligns with their vision for the business. This approach can reduce confu-

sion and convey a sense of continuity. For the best result for the seller, buyer and all employees involved, it is strongly suggested that the buyer and seller work together to craft a specific message for each specific transaction that addresses any and all concerns that the employees may have. This is best done on the day of close when the buyer and the seller can work together to stand in front of all employees and announce the transaction while answering any questions any employee may have. Sellers should expect questions from employees regarding their pay, their benefits, their hours, and even questions about trucks, equipment, routes, service protocols and beyond. It is almost impossible for a seller to answer any of the concerns an employee may have without partnering with the buyer.

### Protecting the Deal

A premature disclosure of the sale might create uncertainty among stakeholders, customers, and competitors. This could jeopardize the confidentiality of the deal, potentially leading to a breakdown in negotiations or unfavorable terms that could impact the final transaction value.

### Loss of Focus

When employees are aware that the business is up for sale, their attention may shift from day-to-day tasks to concerns about their own future which is expected and normal. This shift in focus can lead to decreased productivity and hinder the overall performance of the company.

### Customer and Employee Turnover

This is potentially an outcome that can kill any transaction. Employee and customer turnover pre-close is typically very bad for all parties and of course, buyers are constantly checking turnover and general business stability during due diligence. Customers and employees might perceive the sale as instability and seek alternatives,



fearing changes in service quality or job security. Delaying the announcement allows the business to maintain relationships and retain essential assets until the deal is complete.

### Removal of Assets

In some rare cases, employees might attempt to secure company assets, intellectual property, or proprietary information in anticipation of the sale. Delaying the announcement prevents any hasty actions that could negatively impact the transaction.

### Incomplete Understanding of Benefits

Informing employees early on might lead to misinterpretations or incomplete understanding of the benefits that come with the sale. This could result in dissatisfaction or resistance to the deal, even if it is intended to be beneficial to employees in the long run. If you are the seller, you really do need to partner with the buyer to announce add transaction to the employee base. The buyer typically has a larger company and as a result has purchasing power the seller does not have. This is critical to understand. This typically translates to the buyer having better benefits for the entire employee base that the seller does not have. When presented properly on the day of close, this is a benefit of the transaction and typically helps to settle any concerns the employees may have. Again, working together with the buyer to make the an-

nouncement on the day of close is critical to a smooth transition.

### Focus on Transition Planning

The period leading up to a business sale requires meticulous planning and transition preparation. Keeping the sale confidential allows you to concentrate on these essential aspects without distractions or disruptions caused by employee concerns. Once the employees are aware of the transaction, they typically have a reasonable but endless list of questions. It is almost impossible for a seller to answer these questions without partnering with the buyer which is another reason to keep the secret.

### Maintaining Control of Communication

Waiting until the day of closing provides you with greater control over the messaging and timing of the announcement. This ensures that all stakeholders, including employees, receive accurate and consistent information, preventing misunderstandings and rumors from circulating.

### An example of what can happen if you don't "KEEP THE SECRET"

We once worked with a seller and his wife who spent over 30 years of their life building their pest control company. They were exceptionally professional and proud of the company they built. The husband, who was the primary owner and operator, also had a degree

in entomology. He was actively involved in teaching integrated pest management and best practices at one of the most respected schools of entomology in the United States. The business was well run, and the services were well delivered. Everything you would want to see in a pest control business was in place.

The business had exceptional customer and employee retention, profit, service mix, route density, and best in class service protocols. As we begin to work with the client, he could never stop talking about his need to tell his employees that he wanted to sell. He and his wife were getting to the age where they wanted to slow down and retire. Their children were not involved in the business but were all getting married and having grandchildren. This was driving the sale. However, he could never stop talking about the need to tell his employees he was going to sell. As these discussions moved on, we worked very hard to explain to him all the reasons why you should not tell your employees about the sale until the day of close.

Ultimately, our client decided to have an employee meeting one day and tell his employees he was selling. This meeting took place after he received an acceptable letter of intent from a buyer. Within a week of telling his employees his key manager left the company. Upon learning about the sale, the manager set up a new corporation and purchased a

truck and the necessary equipment to start a new pest control company. The employee immediately started to solicit the sellers' customers. It took approximately two months for our client to recognize there was a significant drop in accounts. From there the employee started to solicit other employees and very quickly the business was damaged beyond repair. This is the worst-case scenario. Ultimately the situation was disclosed to the buyer and the buyer pulled the offer.

Of course, the seller ran to his attorney to find out what could be done. It turns out the employee non competes were written incorrectly and were not enforceable. This resulted in the seller having significant erosion in his company, customer base, and employee base. Ultimately the client lost the opportunity to sell the business and was left with the business that was much smaller and damaged. Instead of being able to sell their business for millions of dollars and retiring, the husband and wife had to rebuild their business.

This example is a real story of what can happen in the worst-case scenario if you tell employees that you were selling before close. In almost all cases, transactions where the seller remains discreet go extremely well for all parties, which is the ultimate goal. However, sellers do need to trust the process and "KEEP THE SECRET".



Some final thoughts on this difficult subject...

The decision to delay informing employees about the sale of your business is not taken lightly. However, considering the potential repercussions of premature disclosure, there are valid reasons to keep this information under wraps until the deal is finalized. Emotional distress, employee non-competes, involving buyers in the message, protecting the deal's confidentiality, maintaining focus, avoiding customer and employee turnover, preventing asset removal, ensuring a complete understanding of compensation and benefits, focusing on transition planning, and controlling communication are all compelling arguments for keeping the secret until the day of close. By carefully considering the unique dynamics of your business and the potential impact on all stakeholders, you can make an informed decision about the best timing for announcing your business sale. It truly is in everyone's best interest to "KEEP THE SECRET".

## Going to Pest World in Denver?

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**Wednesday, October 23rd**

**1:30 PM – 2:45 PM MDT**

**S05:** State of the M&A Market in the Pest Control Industry, Sponsored by BILL

**Location:**  
Cottonwood 6 and 7

**PESTWORLD**  
2024 October 22-25  
Denver, CO

**THE PEST MANAGEMENT INDUSTRY** is no stranger to mergers and acquisitions (M&A). The panelists for this session will provide a deep dive into what you need to know about the fundamentals, strategies, and best practices concerning mergers and acquisitions. Whether you're considering a merger or acquisition as a growth strategy, potential opportunity, or end game, this session will provide the knowledge needed to navigate the complexities of mergers and acquisitions successfully.

**Moderated by** John Myers

### Speakers

- **Kemp Anderson**  
Kemp Anderson Consulting
- **Dan Gordon**  
PCO Bookkeepers
- **John Myers**  
Rentokil Terminix
- **Lance Tullius**  
LR Tullius

# Efficient Routing For Pest Control Technicians

**E**fficiently routing scheduled customers, new starts, and callbacks is crucial for operational success in our industry. Here's a guide for pest control operators detailing the value of optimizing your routes.

## The Importance of Route Optimization

Route optimization is not just about finding the shortest path from point A to point B. It involves considering various factors such as traffic conditions, technician availability, job priority, and customer preferences. Efficient routing leads to:

1. **Cost Savings:** Reduced travel time and fuel consumption.
2. **Increased Productivity:** More customers can be serviced each day.
3. **Improved Customer Satisfaction:** Timely and reliable service.
4. **Lower Environmental Impact:** Reduced vehicle emissions.

## Key Techniques for Route Optimization

### 1. Use of Route Optimization Software

Invest in advanced route optimization software that integrates GPS and real-time traffic updates. This software can handle multiple stops,

optimize routes dynamically, and adjust to real-time changes such as traffic conditions or emergency calls. Look for features like:

- **Automated Scheduling:** Automates the scheduling process, reducing manual effort and errors.
- **Real-Time Adjustments:** Allows for changes on-the-go, ensuring technicians can respond to urgent jobs without disrupting the entire schedule.

### 2. Clustering Jobs

Geographically cluster jobs to minimize travel distance. By grouping jobs that are close to each other, technicians can complete multiple jobs in one area before moving to another, reducing travel time and fuel costs. Implement time-based clustering to ensure technicians are operating in the same area during specific parts of the day.

### 3. Prioritize Jobs

Prioritize jobs based on urgency and importance. High-priority jobs, such as those involving severe infestations or high-profile clients, should be scheduled first. Consider customer preferences and availability



when scheduling to ensure a balance between operational efficiency and customer satisfaction.

## Implementing Efficient Routing Strategies

### 1. Centralized Scheduling

Implement a centralized scheduling system to manage all job assignments. This system should be capable of automating the scheduling process, taking into account technician availability, skill sets, and customer preferences. Centralized scheduling helps in maintaining a streamlined operation and ensures that all jobs are assigned efficiently.

ensures that all jobs are assigned efficiently.

### 2. Dynamic Routing

Adopt dynamic routing techniques that allow for real-time adjustments based on current conditions. For example, if a technician encounters heavy traffic or an unexpected delay, the routing system can reassign jobs or reroute other technicians to maintain schedule integrity. This flexibility ensures that operations continue smoothly despite unforeseen disruptions.

### 3. Inventory and Equipment Management

Ensure technicians have the necessary equipment and inventory to complete their jobs without needing to return to the base. Regularly maintain service vehicles to prevent breakdowns and delays. Having a well-maintained and fully stocked fleet ensures that technicians can complete their routes efficiently.

### 4. Leverage Data and Analytics

Use historical data to predict travel times, identify patterns, and improve future routing decisions. Analyzing data from previous jobs can provide insights into optimal routing strategies, helping to refine and enhance the efficiency of the routing process. Beyond the outlined gains listed above, we see other longterm benefits for businesses that utilize route optimization software. These benefits typically include greater year-over-year profitability, increased growth, and a higher multiple when it's time to sell. 🌟



# To Lease or Not to Lease!

**F**leet leasing can be a great idea or a poor idea for a pest operator depending on factors such as financial goals, operational needs, risk tolerance and how long you intend to own your company. It is critically important that you consider the impact of vehicle leases on a potential sale. Over ninety percent of acquisitions in the pest control industry are structured as asset purchases and leases are characterized as liabilities. How will vehicle leases impact your purchase price and terms if the buyer refuses to assume the leases? Let's break down some considerations:

First remember that leases are legal documents. They are legal and can have profound business and financial implications, both short and long term. Attorneys and CPAs (Certified Public Accountants) should play critical roles in reviewing and evaluating leases before you agree to them.

**Legal Implications:** Leases outline the rights, obligations, and responsibilities of both parties involved — the lessor (the leasing company) and the lessee (the business owner). Your attorney should review the lease to ensure that the terms



are fair, legally sound, and protect the interests of the business owner. Attorneys will also identify any potential legal pitfalls or ambiguities in the contract that might lead to future disputes and potentially harm the business.

**Financial Implications:** Lease agreements often incorporate complex financial terms, including lease payments, interest rates, fees, and penalties. Your CPA will analyze these financial aspects of the lease to ensure that the terms align with the business's financial goals and objectives. They can also assess the long-term financial impacts of the lease, including the total cost of leasing versus purchasing, and the projected impacts on your business's cash flow and profitability.

**Tax Considerations:** Vehicle leases also have significant tax implications for businesses, including deductions for lease payments, treatment of lease expenses, and potential tax consequences upon lease termination or asset disposition. Your CPAs will provide valuable insights into the tax implications of the lease and assist you in maximizing tax benefits while ensuring your compliance with tax laws and regulations.

**Risk Management:** Your attorneys and CPAs will also assist you in identifying and mitigating risks associated with leasing, such as liability issues, insurance requirements, default provisions, and options for terminating the leases. By carefully reviewing the lease agreement, attorneys and CPAs can advise



**Your attorney should review the lease to ensure that the terms are fair, legally sound, and protect the interests of the business owner.**

you on ways to minimize risks and protect your interests.

**Negotiation Leverage:** Attorneys and CPAs can assist you in negotiating more favorable terms and conditions in the lease agreement. They can identify areas where concessions can be made or additional provisions added to better align the lease with the business's needs and objectives.

Having your attorneys and CPA review your leases before you sign them is essential to ensure that the lease is legally sound, financially favorable, and adequately protects the business's interests. Their expertise can help you navigate complex lease terms, mitigate risks, and maximize the benefits of leasing for your business.

### **Positive factors of fleet leasing for a pest control company:**

**1. Cost Management:** Leasing can provide predictable monthly payments,

making it easier to budget for fleet expenses compared to outright purchasing, which can have unpredictable costs associated with maintenance and depreciation.

**2. Access to Newer Vehicles:** Leasing allows companies to regularly upgrade their fleet, ensuring access to newer, more fuel-efficient, and safer vehicles without the hassle of selling off older vehicles.

**3. Reduced Administrative Burden:** Leasing typically includes services such as maintenance, roadside assistance, detailed fleet tracking including metrics and administrative tasks like registration and licensing, which can save time and resources for the company.

**4. Tax Benefits:** In many cases, lease payments may be fully deductible as a business expense, offering potential tax advantages. Again, consulting with your CPA is highly recommended.

### **Negative factors of fleet leasing for a pest control company:**

**1. Long-Term Cost:** Over the long term, leasing can be more expensive than purchasing, as the company does not gain ownership of the vehicles at the end of the lease term. Further, the leasing company may direct when the vehicles must be replaced.

**2. Mileage Restrictions and Penalties:** Leases often come with mileage restrictions, and exceeding these limits can result in costly penalties. Conversely, when you have a leased vehicle with low miles you may still be required to update or replace it.

**3. No Equity:** Unlike purchasing, leasing does not provide value in the fleet compared to purchasing vehicles. You will not have any vehicle assets to show for the payments made. You will also have an ongoing financial obligation that you will need to address if/when you consider selling.

**4. Restrictions on Customization:** Leasing contracts typically prohibit significant modifications or customizations to the vehicles, which may not be suitable for companies with specific operational needs.

### **What is an open-ended lease**

An open-ended lease, also known as a finance lease or a capital lease, is a type of lease where the lessee (the company) assumes the risks and rewards of ownership. At the end of the lease term, the lessee typically has the option to purchase the asset at its fair market value. Open-ended leases are often used for financing the acquisition of assets like vehicles or equipment.

### **What is a residual payment**

A residual payment, also known as a residual value or balloon payment, is a lump sum payment made at the end of a lease term in a lease agreement. This payment reflects the estimated value of the leased asset at the end of the lease

term. It is commonly associated with leases where the lessee assumes the risk of ownership, such as finance leases. The residual payment allows the lessor to recover a portion of the asset's value and can lower the lessee's monthly payments during the lease term.

A closed-end vehicle lease, also known as a walk-away lease or a fixed-term lease, is a type of lease where the lessee (the business owner) returns the vehicle to the lessor (the leasing company) at the end of the lease term without any further financial obligations, provided the vehicle meets certain predetermined conditions regarding wear and tear, mileage, and maintenance.

### Business owners should be concerned about closed-end leases for several reasons:

- 1. Potential Penalties:** Closed-end leases typically have strict guidelines regarding mileage limits and vehicle conditions at the end of the lease term. Exceeding mileage limits or returning the vehicle with excessive wear and tear can result in costly penalties for the lessee.
- 2. Limited Flexibility:** Unlike open-ended leases or purchasing, where the lessee has the option to buy the vehicle at the end of the lease term, closed-end leases generally do not offer this option. This lack of flexibility can be a concern for businesses that may want to retain the vehicle or extend the lease.
- 3. Cost Considerations:** While closed-end leases may offer predictable monthly payments and reduce the administrative burden associated with vehicle ownership, they can be more expensive over the long term compared to purchasing or open-ended leases. This is because the lessee does not build any equity in the vehicle and is essentially renting it for the lease term.
- 4. Residual Value Risk:** In closed-end

leases, the lessor assumes the risk of the vehicle's residual value at the end of the lease term. If the actual market value of the vehicle is lower than the predetermined residual value, the lessor may incur a loss. This risk is typically factored into the lease payments, but it's still a consideration for business owners.

- 5. End-of-Lease Process:** Business owners need to carefully manage the end-of-lease process, including arranging for vehicle inspections, returning the vehicle on time, and ensuring compliance with lease return requirements. Failure to adhere to these requirements can lead to additional charges and complications. You may need assistance and guidance from your attorney at the end of your lease.

### How leases are accounted for in an asset purchase:

In an asset purchase, vehicle leases will typically be handled independently from the asset purchase agreement. The lease terms and conditions, including payment schedules, maintenance responsibilities, and termination clauses,

will be outlined in a separate lease agreement. The company will make regular lease payments to the lessor (the leasing company) as per the terms of the lease agreement. Often the buyer will require the seller to pay off the lease obligations either prior to closing or out of the closing proceeds (purchase price). While the handling of vehicle leases will always be negotiable, it will also further complicate the negotiations of the acquisition and may also delay the closing. It may be necessary for the buyer or seller to engage in further negotiations with the leasing company. The leasing company may not be cooperative in those negotiations.

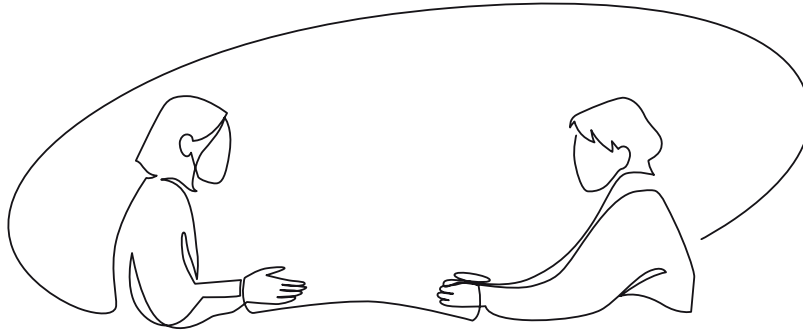
In summary, pest control operators should carefully weigh the terms and conditions of vehicle leases and fully evaluate the potential risks and costs involved before entering into such agreements. The failure to do so may result in unanticipated liabilities and a reduction in the purchase price for their business. 🌟

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Co-authored by Kemp Anderson and David A. Gunter, P.A.

**Business owners need to carefully manage the end-of-lease process, including arranging for vehicle inspections.**





# *MY* Selling Story

# Russ Stribling

Russ Stribling was the co-owner of Access Exterminators in Orange, California. Access was acquired by Rentokil in March 2020.

**Theresa Childs:** Hello Russ. Good morning. How are you? How have you been?

**Russ Stribling:** Pretty retired. How's that?

**Theresa:** I love that. #goals

**Russ:** We bought a home over in Lake Arizona and so we try to split our time between California and Arizona. Really like it.

**Theresa:** Okay.

**Russ:** Enjoying life, watching my grandkids grow up.

**Theresa:** That is fantastic. Let's see, how many years has it been?

**Russ:** We'll be at five years, March 20th.

**Theresa:** So much has changed in the industry since then, mainly the proliferation of PE firms that are buying into the industry. It is such a different model than we traditionally worked with in the past. The people are very different, their approach to buying is different, the outcome that they are planning for is

obviously very different, right? With traditional buyers it was more than just profitability, it was fit, culture, they were buying great people who might rise up in their ranks and become long term leaders in the parent company. The way they approach the buying process is very different too. Traditional buyers are veterans of the industry. There's very little education required on our part if we've collected all of the right data and presented it. With PE firms, there's a laser focus on the data analysis. It's simply a math equation and we need to make sure that they have all the information that they need to make an informed decision. So we're navigating that change and evolving our process to fit everyone's needs.

**Russ:** That's so interesting to hear. I got to



tell you, Theresa, when I started Access, I never even took a loan. I started with one account, one customer at a time. We built that from the ground up. Roger came into the picture later down the road. But the whole experience of growing the company and bringing it to where we did, and then even the experience of selling; going through that with you and Kemp and the process of the sale and everything was very..., I'm glad I got that experience. It

was very interesting. It was a lot of work. I could see all the work that everybody was putting into it on our end and on. I'm glad I got that experience. Our reputation and our relationships are what grew our business. And our ability to service the customers, obviously — that's the reputation piece. Well, which brings us to our phone call here. So what kind of an interview are we doing?

**Theresa:** We want to learn people's selling story and kind of talk about life. When you started the company, I know you just said it was one truck, one account at a time, but kind of talk about that and then also a little bit about that moment when you thought I might sell. And I can ask some questions along the way. The final product isn't going to be verbatim, so you can speak extemporaneously and then I'll go back and write up. You'll get to read it and see if I captured your story.

**Russ:** When you reached out, it really got me thinking, what brought us to the decision to sell. It wasn't burnout. I think we felt like we were done. Does that make sense?

**Theresa:** Sure, of course. Running this type of business is really a seasonal cycle. I think many sellers finish up a selling season or are coming off that winter lull and think "do I want to live through this cycle again?"

**Russ:** Definitely. I think for me, we came to a point where hiring seemed never ending. Part of that is growth, right. Part of that is seasonal. And part of that was the economy and we were struggling with always hunting for good employees. And then of course managing people and retaining people and naturally, turnover and keeping up with it all. It's hard for me to say that the true reason we decided sell was we were tired of managing people. We were an amazing team and everyone did an exceptional job of taking care of our customers and killing the bugs, but

the mental load of managing employees in a growing business was a huge responsibility that was thrown at us every single day. Overall, we did a good job but it was very draining for a couple of "bug guys".

**Theresa:** Well, it sounds exactly like the next person I'm going to interview actually. They couldn't really hire people. They had exhausted lots of ideas. The hiring had become really, really difficult. They couldn't find good people and they were often running a route or filling in quite often, not just managing the business. And at the end of the day when you go, well, I could sell now and we could just be done... it was very appealing to them.

**Russ:** Yeah, this honestly wasn't something that we talked about for a long time. It just sort of came around. We both sort of woke up one day and realized that we wanted to take more vacation; to do things with our family and friends — and people were starting to retire around us. I think that it just fell into place on its own, if you will, but it worked out perfect for us. We worked hard. We went through all the highs and lows of being in a

business relationship and all that goes along with it too. And it just felt right.

**Theresa:** So here we are. You're ready to sell, now what? Walk me through that process for you and Roger.

**Russ:** We interviewed two brokers. They were both very experienced, we just felt more comfortable with Kemp. He was no nonsense and knowledgeable. So that's how we ended up with you guys and glad we did.

**Theresa:** Did you ever consider succession planning and making promoting someone to manage the business for you?

**Russ:** No. No. I never did. Obviously, we started seeing other businesses selling around us. I've been in the industry since I was 11 years old. I worked every



Russ and Vicki boating to Santa Catalina Island.

summer helping during termite season. It's basically all I've done. So when I was ready to step back, I did not feel comfortable enough to just turn it over to a management team and not show up to the office, not even for a week! (laughing). That was not the type of person that I ever was. I had to have my hands on everything.

**Theresa:** Did you ever consider selling it yourself?

**Russ:** No. No. I never did.

**Theresa:** Did you have any expectations going into it? Did the process of selling meet your expectations?

**Russ:** Be honest with you. I didn't know what the process was. I just remember, I can't remember who I was speaking to, but they just said, make sure you have a good accountant and a good attorney. And I remember asking myself, well, why do we need a broker? But we did. Well, that's what we did. We didn't know how did they value our company by the equipment and everything. How did the value our accounts. And so that was a learning process along the way. We didn't know anything about it. We were focused on the business until the very end. Roger ran the termite department. I ran pest control. Somehow between the two of us, we covered operations and had fun doing it.

**Theresa:** I know obviously the price is very important, but were you interviewing potential buyers with anything else in mind?

**Russ:** Give me an example.

**Theresa:** Some people are very concerned with their people, for example. So they want to make sure the culture is a really good fit. Some people have a family member that they want to stay involved, so career advancement opportunities are important.

**Russ:** Yes. These are questions and

thoughts we took into account. It was very important to us that they didn't lay our people off. We wanted employee retention because we knew the sale was going to be very upsetting for a lot of the employees. And we were very impressed with how treated everybody and as far as their pay and their benefits, they turned out to be better than what we were offering — and we thought we were pretty good!

**Theresa:** Is there any advice that you would give to someone else who's considering selling?

**Russ:** Yeah, don't say a word.

That was the hardest thing to do. But we didn't say a word until the very end. We had to tell our office manager towards the very end; we couldn't get over the finish line without her. But I couldn't even tell my service manager and that was a tough one for me. The downside to this whole thing is some of the people were very unhappy that we sold the company. That was so difficult for us. These were people that I spent time with daily and they didn't quite have the same feelings for me once we sold. It was a bummer. We were a good company and felt we were a great place to work. We had a great culture. Everybody liked each other and it worked real well for us. But selling was a game changer for a couple of them. Maybe it was just us.

**Theresa:** No, it's not just you. It's definitely not just you. It's so hard for some people. They just can't get their head around the fact that an owner needs to move on at some point. They think it's personal, unfortunately. Is there anything you think you might do differently? Looking back.

**Russ:** Honestly Theresa, you and Kemp did such a great job. I had no idea what to be prepared for when we sold the company and you guys brought us through it step by step told us what to expect. And if I did it again, I would do it just like I

did, with you guys. I really mean that. Roger and I talked about it so many times afterwards. At the end of the day when we closed, all the work we put in didn't seem so bad after all. We worked hard, we had fun, we made a lot of great memories along the way and we had a great outcome from the sale. We were really pleased with the payday at the end. That's never guaranteed but we did quite well for ourselves. It was a good experience.

**Theresa:** It was a good experience working with you all too. Was it easy to retire?

**Russ:** No. That's probably the hardest part. Rentokil kept me on for six months and then that was it. I was driving 45 miles to work every morning and then all of a sudden, poof. My eyes would still open at 3:30 in the morning, but I didn't have anything to do. It was crazy. And I mean, it made me nuts. We figured it out, started doing stuff. Got into the swing of things, being retired. We have some money in the bank. We have some dreams left to chase. And that's what we've been doing.

**Theresa:** I love it.

**Russ:** My wife is so happy and we have a lot of fun together. We've worked really hard. When we closed everything out, that was a heavy weight off of her mind too. She's very happily retired. We have a 10-year-old granddaughter, a 1-year-old granddaughter. We have a grandson that will be born soon. So we're excited about that.

**Theresa:** That's exciting. Do they live near you?

**Russ:** Yeah, not too far. It's about 15 minutes that I'm up the road and I've really enjoyed it.

**Theresa:** I love it. Thank you for your time, Russ. I think your story mirrors a lot of other owners out there.

**Russ:** I appreciate the opportunity to tell my story, Theresa. 🌟



# Welcome to the Team Lieutenant Jason Chung

**L**ieutenant Chung is a native of Brooklyn, NY. He earned a Bachelor of Science in Systems Engineering from the United States Naval Academy and received his commission as a Surface Warfare Officer upon his graduation in May 2016.

His first tour of duty was onboard USS IWO JIMA (LHD 7) homeported in Mayport, FL, where he served as the Gunnery Officer and Assistant Gun Boss, completing a deployment to the middle east and a joint NATO exercise off Norway. He then reported to USS FITZGERALD (DDG 62) as the Antiterrorism Officer where he built the antiterrorism program from the ground up. In May 2021, he reported to Mariner Skills Training Center Pacific as a ship handling instructor, where he trained over 1500 junior officers on safe navigation and international maritime law.

We are excited to welcome Jason to the Kemp Anderson Consulting team. Jason is helping serve our clients and gain new business skills while he transitions into civilian life. We are grateful for his contribution and look forward to seeing his growth. 🌟



**HIRING OUR  
HEROES**

U.S. CHAMBER OF COMMERCE  
FOUNDATION



**In today's frothy M&A market,  
everyone likes to talk about price  
and multiples.**

What drives price and multiples are business fundamentals including growth and profit, pricing, customer retention, employee retention, route density, asset management and many more. Great business fundamentals drive a great transaction with rewarding pricing. At Kemp Anderson Consulting, we navigate our clients through the entire process ensuring our clients maximize value.

**Kemp Anderson, President**  
*Kemp Anderson Consulting*



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