

A **QUICK-LOOK** AT THE LOCAL MARKET STUDY:

# The State of Owner Readiness

BENCHMARKING LOWER MIDDLE MARKET BUSINESSES  
AND EDUCATING OWNERS ON THE DIFFERENCES OF  
"ATTRACTIVENESS" VERSUS "READINESS"



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# UNDERSTANDING THE NEBRASKA STATE OF OWNER READINESS



**67% of surveyed business owners in Nebraska are 50 or older.**

Recent US Census data indicates that 49% of Nebraska businesses are owned by Boomers; 43% by Generation X. Note: **31% were over the age of 60 or older**, which means that successful conversion of the business wealth is *(or should be)* top of mind for most owners.

## NEBRASKA BUSINESS SIZE? **ABOVE AVERAGE.**

**44% of Surveyed Owners indicated sales of \$5 million or more.**

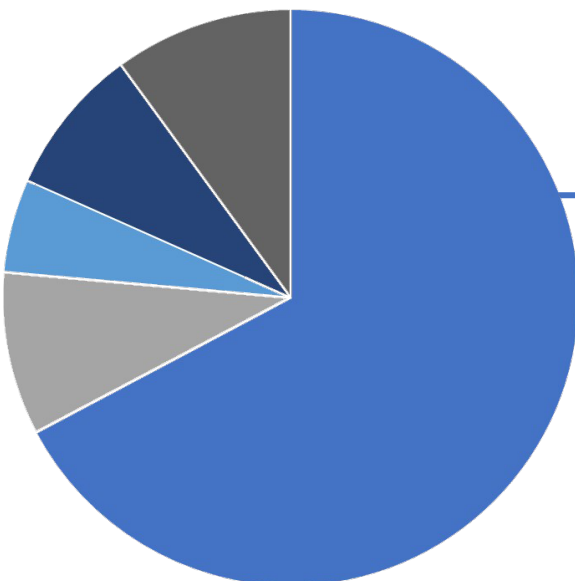
The Nebraskan sample represents a strong middle market focus that represents a much greater share of businesses over \$5 million in sales than that found in the national US Census research data for American privately-held companies.

### **Nebraska Surveyed Revenue Data:**

50% Annual sales of less than \$5 million.  
44% Sales in the range of \$5 million–\$100 million.  
6% Sales of \$100 million or more.

### **National US Census Data:**

94% Annual sales of less than \$5 million.  
5.8% Sales in the range of \$5 million–\$100 million.  
0.2% Sales of \$100 million or more.



**When it comes to business ownership, family matters...**

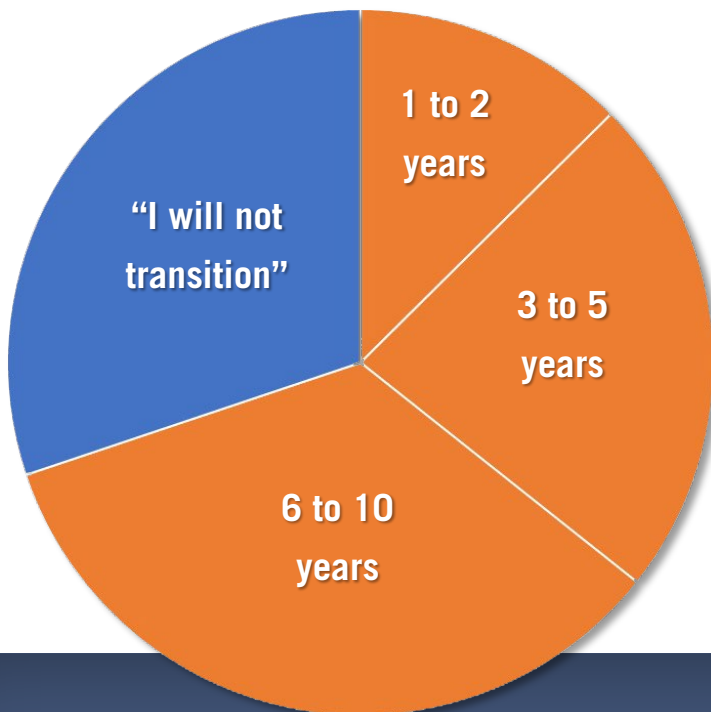
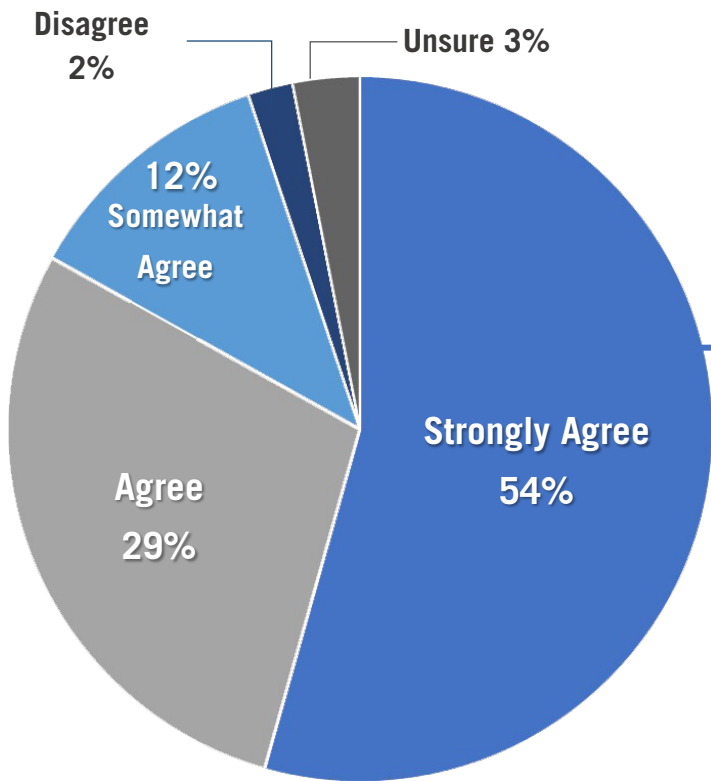
**...at least 76% of the time.**

Surveyed owners reported the following data when asked about the amount of family ownership that exists in their business:

- 67%: Family Owned (100%)
- 9%: Family/Outside Ownership, Family Controlled
- 5%: Family/Outside Ownership, Outside Controlled
- 9%: Outside Ownership (100%)
- 10%: Public Company or not applicable

95% OF OWNERS *AGREED* WITH THIS STATEMENT:

**“Having a transition strategy is important to my future and the future of my business”**



## AND YET...

The very same surveyed Nebraskan owners reported the following data which proved contrary to the statement that readiness was important:

**62% HAVE GIVEN LITTLE TO NO ATTENTION TO EXIT PLAN**

**43% HAVE DONE NO PLANNING AT ALL**

**71% HAVE NO WRITTEN COMPANY TRANSITION PLAN**

Unfortunately, most owners didn't know how much is needed to fund retirement and post-business life plans, plus...

**66% ARE UNFAMILIAR WITH THEIR TRANSITION OPTIONS**

**81% HAVE NOT ENGAGED WITH OR FORMED A FORMAL TRANSITION TEAM**

**70% OF NEBRASKAN OWNERS INTEND TO TRANSITION IN THE NEXT ONE TO TEN YEARS.**

THANK YOU TO OUR LOCAL PARTNERS



For more research or information, visit [www.OwnerReadiness.com](http://www.OwnerReadiness.com).