



14260 Airport Highway, Swanton, Ohio 43558

Challenge

Mike Fisher and Duke Wheeler of the Reichle Klein Group were engaged to market an actively operating restaurant in Swanton, Ohio. Numerous challenges were presented with the sale including the owners' specifying that there will be no For Sale sign on the property for fear that it would detract from business to the current restaurant operations. The owners also limited tours and showings, stipulating that they could only be conducted on Mondays when the restaurant was closed. The owners also had confidentiality concerns with offering tax return and Profit/Loss history for a business located in such a tight-knit community. Additionally, another set of challenges existed in separating the business assets, licensing and naming from the real estate side of the transaction and juggling two different ownership entities and eight individual partners who ultimately had to agree to and sign off on a sale. Lastly, but just as important, were the owners' sentimental feelings about the restaurant that they had owned for more than 25 years, job security and uncertainty of the management, cooks and waitresses of the current restaurant establishment.

Solution

We offered a broad marketing effort focused from national fast food retail down to local restaurants. Our objective was to present the Sellers with a wide range of options so that they could evaluate any/all issues that could arise from a potential sales transaction with either type of interest. Along the way, we discovered that a well-known national fast food retailer (from which we secured an offer within the first few months of listing the property) was *not* going to be a good fit due to their intentions to scrape the property and build new on site with no intentions of retaining any of the current employees. As a result, our primary focus shifted to restaurants and food establishments in the immediate area with priority on the Fulton and Wood County areas. A short time later, after evaluating inquiries from nearly a half dozen local interests, we received an offer and came to an agreed upon contract with a buyer in neighboring Wood County who already had a branded restaurant located in Haskins, Ohio.

Results

With a baseline agreed upon contract, we continued to work through the transaction during the due diligence period and sort through the business assets (inventory, A/P, A/R, etc.) along with transferring of the liquor license and naming rights. We conducted a final inventory the night before closing and closed the real estate and land with a Fee Simple closing and the remaining business assets, licensing and naming via a Bill of Sale. The match was a perfect one for the buyer with primary market focus on the local and community traffic and the Sellers got to see the continuation of the building and establishment in which they invested over 25 years remain in the community. Finally, the new ownership retained all of the prior employees including promotion of the general manager to their new GM.