A Timely Message from Marc Federbush and Anchin’s Fashion Group

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First and foremost, we hope that this message finds you, your colleagues and your loved ones safe and well. As the economy starts to open up again, there are sure to be many more changes, and along with them, obstacles and opportunities. Your key advisors can add value as a sounding board in challenging times when decision making is difficult. We wanted to remind you that we are here to help you. In continuing to provide relevant and useful information with the fashion industry in mind, these pieces highlight M&A, which is widely predicted to bring about major, rapid changes in the fashion industry in the post-COVID landscape.

What to Know About Buying and Selling a Business in a COVID-19 World

The COVID-19 outbreak has caused many to reevaluate their personal and financial priorities. You might be interested in acquiring or conversely, maybe now is the time for you to partner with another company. If you decide that now is the time to sell or acquire a business, here are some considerations you may want to keep in mind.

Utilize or expand your network strategically. If an obvious choice for a business partner does not present itself within your network, consider expanding your reach and tapping into those in your network who are well-connected themselves. Your trusted advisors such as accountants, attorneys, and lenders likely have deep connections in your industry and may be able to facilitate introductions for you.

Consider financial and tax benefits for both sides. Decisiveness without compromising due diligence will be key. Consider the impact of your EBITDA on your company valuation. Whether asset or stock sales are involved, both the buy side and the sell side can structure a deal in a way that maximizes tax benefits. Work with your advisors early to examine and factor in the tax implications of the deal.

Consider estate planning. Whether you are planning to sell or buy immediately or have a longer-term plan in mind, consider advantageous estate planning strategies such as transferring business interests at lower values to reduce taxes later.

For more information or to discuss your unique circumstances, contact your Anchin Relationship Partner or Marc Federbush, Fashion Group Leader.

Anchin's Fashion Industry Group is well-versed in the nuances of mergers and acquisitions, as well as other strategic planning opportunities. For more information about Anchin's Fashion Group and how we can help you, click here or on the video below.