

Is 2012 The Right Time To Sell?

Five Questions To Ask Yourself As You Contemplate Whether Or Not 2012 Is The Right Time To Sell A Portion Or All Of Your Business.

1. Will the federal long-term capital gains tax increase in 2013?

If Congress allows *The Economic Growth and Tax Relief Reconciliation Act of 2001* and *Jobs and Growth Tax Relief Reconciliation Act of 2003* to expire, and a new tax associated with *The Patient Protection and Affordable Care Act* becomes enforceable, the current long-term capital gains tax rate will increase from 15% to 23.8%. Waiting to recapitalize or sell your business could require you to give a much larger chunk to Uncle Sam.

2. When is the right time to diversify my assets and take some liquidity?

Obviously, this is a very personal decision, but in an economic climate of increased uncertainty and change, having all your eggs in one basket is a risky choice. It may make sense to diversify your holdings within your business. This could be by selling a minority or majority stake in your company.

3. When is the right time to take on an equity partner and aggressively reinvest in the business?

There are always general business risks associated with operating a company, which can include reimbursement and regulatory change, customer retention and the introduction of new technology. Staying ahead of the curve is the key to a successful long-term growth strategy. There are times when additional capital is necessary in order to accomplish the developmental goals of the company, and take advantage of opportunities in the market.

4. What economic risks could effect my company's valuation?

Timing is everything. With constant regulatory changes and reimbursement risks within the healthcare marketplace, company valuations can be dramatically impacted when something favorable or unfavorable arises. Areas to constantly monitor include, the healthcare law, issues facing European markets, debt markets and healthcare regulation.

5. What should I look for in an equity partner?

The healthcare market is very different from any other industry out there. First and foremost, a business owner should look for a partner with industry expertise. Other things to look for include, flexibility in structuring transactions, a strong emphasis on post-transaction growth strategies and previous deal histories.

DW Healthcare Partners

If you are contemplating a partial or total liquidity event in the next couple of years, it may be prudent to consider conducting a transaction this year. DW Healthcare Partners (DWHP), a healthcare focused private equity firm with over \$450 million under management, can be a timely partner, as we:

- Have capital available for investment
- Are flexible in how we structure deals
- Can quickly evaluate and make investment decisions
- Have knowledge and operational expertise across multiple sectors of healthcare
- Have a proven track record in helping our partners build shareholder value

To Learn More

To learn how DWHP can help you realize a partial or total sale of your company today, and maximize your after-tax profit, please contact:

Liz Null
435.645.4058
liz@dwHP.com

DW Healthcare Partners (DWHP) is a healthcare-focused private equity firm that invests in high-growth companies. DWHP provides both capital and strategic resources to accelerate growth and increase shareholder value.



DW Healthcare Partners

DW Healthcare Partners
1413 Center Drive, Ste 220
Park City, UT 84098
(435) 645-4050
www.dwHP.com