

# THE VELD GROUP

## A WEALTH OF EXPERIENCE

by John P. Ribner

Comprised of top-notch professionals including CPAs, MBAs, investment bankers, attorneys, real estate specialists and certified consultants, The Veld Group is a full-service Business Brokerage, Valuation, and Mergers and Acquisitions Firm that has taken a significant interest in the unique dynamics of the indoor tanning industry.

**C**onsolidation continues to be a factor in the tanning industry, with some salon owners selling to industry entrants, seasoned operators, franchisors seeking to convert salons, or even private equity groups. In these changing times, The Veld Group utilizes its many years of experience in business acquisitions to ensure that a fair deal is made for its tanning salon clients.

“Industry dynamics make the tanning industry ripe for consolidation, primarily due to the economies of scale



(L-R) The Veld Group Salon Team – “The Guys” include Chris Kalisewski - IT Mgr.; Michael Wildeveld - Managing Dir.; Robert Rodriguez - CPA/Valuations Dir.; Ryan Clark - Nat'l. Sales Dir.; Kevin Vetter - Sales Mgr.

that exist in marketing, as well as in equipment and retail product purchasing – larger chains have cost advantages coupled with best practices formulas that one- or two-store operations find difficult to match,” commented Michael Wildeveld, Veld Group Director. “We became interested in the tanning industry in 2002 when I considered purchasing a salon for my mother. Through our research we discovered a need for our services in the industry, so we set out to create an active marketplace for salon owners. It was an interesting transition as we focused on selling large scale manufacturing firms prior to our foray into tanning.” The Veld Group was formed as a commercial real estate firm in the 1970s, and grew to expand its services into other areas including business brokerage, mergers and acquisi-



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(L-R) "The Gals" are Eva Leone - Sales; Natalie Kalisewski - Sales; Doreen Jackson - P.R.; Victoria Beckett - Reception; Judy Masterana - Office Mgr.; Susan Vetter - Marketing Dir.

tions and business valuations. The Veld Group has now sold over 150 salons representing \$25 million in transactions. In March of 2008, they sold an eight-salon chain to a sophisticated investor with several hundred retail stores, a five-salon chain to a regional operator, and a three-salon chain to an industry entrant.

Selling any business is a complex process – whether it's a small salon, a \$5 million chain or a \$10 million equipment manufacturer. It's not like commercial real estate where you put a "For Sale" sign on the window and hope a

In these changing times, some salon owners are selling to industry entrants, seasoned operators, franchisors seeking to convert salons, or even private equity groups. We use our many years of experience in business acquisitions to ensure that a fair deal is made for our tanning salon clients.

*Michael Wildeveld, Veld Group Director*

qualified buyer comes along. The confidential sale of any business is a very involved process that typically takes over seven months. The Veld Group recommends owners be patient and plan well in advance. "Owners wishing to sell often neglect their operations, ultimately reducing the businesses' marketability," said Ryan Clark, Veld Director of Sales. "Keep things 'business as usual' – those things which made you successful. Most importantly, we recommend owners don't tell their customers, employees or competition that they intend to sell," he added. "Clients will stop purchasing packages, employees may quit, and the competition will learn as much as they can about your business, but typically won't offer fair market value for it." Ryan also recommends salon pros maintain detailed revenue and expense records, as this information is critical to buyers.

So if you're in the market to sell your tanning salon, your entire salon chain, or any business, contact The Veld Group. The company's extensive professional experience in these matters could prove invaluable. ■

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The Veld Group, visit  
[WWW.THEVELDGROUP.COM](http://WWW.THEVELDGROUP.COM)  
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