

You'd Get a Second Opinion Before Having a Major Medical Procedure

Why not for your dealership?

By Brad Stanek, CFP®, Financial Advisor

As an RVDA Member, it is likely that the last two years have been very challenging for you and your RV dealership. But as we navigate into the year 2025, we are seeing signs that the industry outlook may be changing. Unfortunately, we're in a complex financial environment, with issues ranging from historically high floor plans and consumer financing rates to low margins, making it challenging to turn a profit. Those are just some of the factors that make wealth planning and asset protection more challenging than ever.

Here are six of the most common issues RV dealers tell me they are facing:

1. Many factors, such as paying too much in taxes, protecting wealth against lawsuits, creditors and other risks, and maximizing the value of your dealership, are impacting your wealth. Those issues require coordination between your key advisors in order for you to maximize results.
2. While many dealers were sitting on piles of cash thanks to a record breaking 2020 - 2022, the last few years have been a challenge with cash flows due to curtailments, high floor plan rates, and low margins.
3. Adult children have their own families and careers—they don't want to take over the family business, leaving you as an owner searching for the best way to exit your dealership and remain financially secure.
4. Taxes remain high, leaving you as the owner wondering what you can be doing to minimize what you pay.
5. They have multiple advisors working independently and those advisors lack RV industry experience. Critical issues are being missed.

6. Financial planning is being done piecemeal. Important investing, retirement planning and insurance decisions are made without checking first to see how each impacts the other.

Sound Familiar?

You may be wondering if we are through the worst of it, and if you should be considering an exit as we hopefully go into better economic times. But do you really know how to prepare for (and execute) a sale?

As a roll-up-your-sleeves entrepreneur, it's tempting to be a do-it-yourselfer here. You may want to stop and think twice. Your longtime CPA, attorney and banker are very good at what they do, but considering a second opinion about a potential sale or transfer before you proceed, could be very beneficial.

Cautionary Tale

Recently, a longtime independent RV dealer in our area got a call out of the blue from a buyer. To save time and money, the dealer and his spouse tried to negotiate the transaction on their own with the help of their local attorney (a jack-of-all-trades, helping in business, divorce and real estate issues) and their longtime tax preparer. Unfortunately, the dealer's trusted advisors didn't have much business transaction experience and didn't know the RV market well. The attorney had never done a transaction action of this nature. As you can imagine, the sale didn't go particularly well for the dealer:

- The couple paid way too much in taxes post-sale.
- Key employees found out way too early about the transaction and it created tons of stress and loyalty questions.
- They didn't have any competing offers. By accepting the first offer received, they realized, too late, that they left money on the table.
- More of the purchase price was contingent than it had to be —i.e. the dealer didn't get everything upfront from the buyer and much of the contingent money never came through.

Whether you're growing your dealership for the long-term, or planning to transfer it, or intending to leave it within the family, you only get one chance to get it right. Why leave one of the most important financial decisions you'll ever make to chance?

Just as you wouldn't have major surgery without getting a second opinion from another doctor, it may be valuable to get a second opinion from experts who focus on RV dealership transactions and ownership transitions on your once in a lifetime sale.

A Better Way

Another family-owned dealership in our region decided to get a Second Opinion before contemplating the sale of their longtime dealership. Their adult children were busy with their own families and careers out of state and didn't want to take over the family RV business. The owners knew they need to find an outside buyer. By getting a Second Opinion from day one, they received tremendous help with the following:

- They “normalized” their earnings for potential buyers, which expedited the sale process and added to the value of the dealership.
- They obtained a reliable and current valuation for their dealership.
- Their CPA received valuable assistance making after-tax calculations.
- They identified multiple areas in which to save on taxes.
- They coordinated confidentially efforts throughout the transaction
- They located three viable potential buyers.
- They worked with their attorneys to ensure they were well represented in the Letter of Intent and Asset Purchase Agreement.
- They secured multiple offers at very fair prices.

Why a Second Opinion Might Be Right for You

Again, obtaining a Second Opinion for your dealership does not mean you should stop working with your longtime CPA, attorney and banker. But, by adding an extra set of eyes with deep industry experience—you could greatly increase your odds of being amply rewarded for your years of sacrifice and hard work.

If you're preparing your business for a liquidity event—or even just considering it as an option down the road—take the key steps today that might position you for tremendous success when the big moment comes.

At a bare minimum, a Second Opinion should tell you:

- Where you are today, personally, financially and dealership-wise.
- Where you want to go.
- Gaps that need to be filled in order to get you to your destination.
- How to bridge those gaps.
- Time, cost and expertise needed to bridge those gaps.

[The Stanek-Haack Group at Morgan Stanley](#) is committed to helping RVDA Members become financially independent of their dealership in way they never thought possible, through our Second Opinion Service.

The foundation of our Second Opinion Service is built on comprehensive wealth management. In addition to investment advice, wealth management includes a full spectrum of customized strategies for

minimizing taxes, protecting wealth against lawsuits and other risks, transitioning smoothly from your business and supporting charitable causes that mean the most to you.

Our firm defines wealth management with this simple, but powerful formula:

Wealth Management = Investment Consulting (IC) + Advanced Planning (AP) + Relationship Management (RM)

IC Includes:

- Asset allocation
- Portfolio management
- Performance analysis

AP Includes:

- Wealth enhancement: working with your tax accountant, minimizing tax and optimizing debt. It's about what you keep, not what you make.
- Wealth transfer: working with your attorney, exit planning and proper transfer of wealth to those you care about.
- Wealth protection: working with your attorney, strategies to help protect against entities and individuals that unjustly want to get at your money.
- Charitable giving: for those that would like to give back, insights on how to maximize the impact of the money you give.

RM Includes:

- Regular communication and scheduled reviews.
- Coordinating your team of professionals, so everyone is on the same page in key planning areas, including legal, exit strategy, tax, insurance and investments

What to Expect from the Second Opinion Service

As an RVDA member, this benefit is available to you for no-cost and no-obligation. After mutually agreeing there is a basis for working together, we will schedule a Wealth Plan Review with you. Hopefully, we can confirm that you are on track to fulfill your values and achieve your goals. If needed, we will suggest ways in which we can help, or recommend another provider if we are not a good fit for your needs.

Either way, you will receive:

- A personalized written analysis of your current situation.
- Clarity on your total financial picture.
- Business succession and exit planning insights, tailored to your personal situation, and
- Specific recommendations for you to get closer to your goals, which you can choose to implement with whomever you chose.

Conclusion

You've worked extremely hard to build a business and become a pillar of the community. You owe it to your family, your employees and your town to preserve the goodwill you have built in the community, while driving toward the next exciting chapter in your life.

About the Author

[Brad Stanek, CFP®](#) is an Executive Director with [The Stanek-Haack Group at Morgan Stanley in Chicago, IL](#) brad.stanek@ms.com | 312-648-3381.

Morgan Stanley (Branch #628)
227 W. Monroe St.
Suite 3400
Chicago, IL, 60606

The views expressed herein are those of the author and may not necessarily reflect the views of Morgan Stanley Smith Barney LLC or its affiliates.

The services, strategies and investments discussed may not be appropriate for all investors. Morgan Stanley Smith Barney LLC recommends that investors independently evaluate particular services, strategies and investments, and encourages investors to seek the advice of a financial advisor. The appropriateness of a particular service, strategy or investment will depend upon an investor's individual circumstances and objectives.

The case study presented is provided for illustrative purposes only. Past performance is no guarantee of future results. The information has been obtained from sources we believe to be reliable, but we cannot guarantee its accuracy or completeness. These strategies do not guarantee a profit or protect against loss and may not be suitable for all investors. Each customer's specific situation, goals, and results, may differ.

CFP Board owns the mark CFP® in the U.S.

Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors or Private Wealth Advisors do not provide tax or legal advice. Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning and other legal matters.

Morgan Stanley Smith Barney LLC offers insurance products in conjunction with its licensed insurance agency affiliates.

Morgan Stanley Smith Barney LLC. Member SIPC.
CRC 4053788 11/24

