

Wrong Turn

We sold a printing business a few years ago to Gene. The transaction was to close on Thursday, November 10. Everything was going according to plan, except that the lawyers were running behind. The actual closing was to be completed in the boardroom of the purchaser's bank. The bank was providing the money to finally close the deal, so it made sense to go to Gene's bank to complete the transaction.

Gene's lawyer called the banker and said he was running "a few minutes" late. Instead of arriving at three p.m. he would likely be there at four and was that okay?

"That's just fine," the banker said. "I will be happy to wait for you."

Well, lawyers being lawyers, four really worked out to be four-thirty by the time we all finally arrived at the bank. The bank was about to close its doors. We went into the boardroom, shook hands with the banker, and completed the transaction with John, the seller. We were done by five-fifteen.

John's lawyer looked at the banker and said, "Okay, can we have the money?"

The banker looked at him and said, "What money?"

"The money your customer is borrowing to complete this transaction."

The banker said, "I didn't realize I was supposed to provide the money today. Nobody told me. I didn't order it."

The only reason we had gone to the bank was because that was where the money was. So all of a sudden it's past five and the bank is closed. The banker is being very congenial and nice by letting us use his boardroom.

Gene and John's lawyers looked at the banker and said, "Why do you think we came here?"

"Well, I wasn't sure of that. I thought you wanted to see our new boardroom."

In any event the transaction closed in escrow. The banker promised to wire the money right away. However, on November 11, Remembrance Day, all Canadian banks are closed. The earliest possible day to wire the money was first thing Monday morning.

John's lawyer said to the banker, "What happens to the money if Gene gets run over by a truck between now and Monday morning?"

"I haven't got a clue."

John's lawyer, feeling quite uncomfortable, said, "Tell you what. We'll arrange for Robbins to pick up the money first thing Monday morning."

"That's fine, but it's not necessary. I can have it wired to your account by nine-fifteen a.m."

By now the lawyer was getting quite agitated.

"No. I want Robbins to pick up the money."

The following day, I thought to myself, “Why do I want to drive forty miles to pick up the money; drive another sixty miles to deliver it; and then turn around and drive back home again – another hundred miles? That’s a lot of driving to appease a lawyer because the banker misunderstood.”

So I called Jack, a young MBA who had recently joined our firm, and said, “I would like you to go and run this errand for me on Monday. Be at this bank at nine a.m. sharp and call me as soon as you pick up the funds. Then I want you to deliver the cheque to the lawyer who is about sixty miles farther north.”

At five minutes after nine on Monday morning, Jack called and said, “I have the funds and I’m on my way.”

At ten-thirty a.m. I received a call from John’s lawyer.

“What are you doing in your office?” he asked. “I thought you were supposed to pick up the money!”

“I sent Jack to pick it up and he should be there by now.”

A long silence ensued. “He’s not here.”

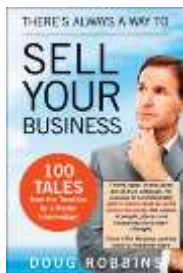
At eleven a.m. John’s lawyer called again. Still no Jack.

Same story at eleven-thirty.

At noon I got a call from Jack.

“I made a wrong turn on the highway and I realize that I am now about two hundred miles away from the seller’s lawyer’s offices.”

The cheque was finally delivered at four that afternoon.



This story is from Chapter 6 of Doug Robbins’ book “**There’s Always a Way to Sell Your Business**”

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