



Let's Get Down to Business

Big Opportunity in the Business Market

Business owners work hard to establish their business and keep things running smoothly. However, they often get so lost in the day-to-day activities of running the business that they often don't have the necessary plans in place when something critical happens. Many haven't even taken the time to consider what might be needed for their business.

Financial advisors have a unique opportunity to help their business owner clients navigate through the important questions and decisions. Not sure of the opportunity? Take a look at the numbers we've compiled!

There are 36.2 million "small businesses" that employ under 100 employees and represent 99.9% of U.S. business.¹



Accumulating enough retirement funds is a problem for many small business owners. 40% of small businesses don't offer retirement benefits.²

Nearly two thirds of small businesses do not have a documented or communicated succession plan in place.³



Only 20%-30% of businesses that go to market end up selling despite 2017 and 2018 setting new records for the most annual small business transactions.⁴

Pass-through businesses account for about 95% of the more than 26 million U.S. Businesses and include sole proprietorships, partnerships, LLCs and S corporations.⁵



Recent surveys of business owners show that many owners have little to no exit planning strategies in place, with 1/5th of business having a written plan.⁶

18 percent of baby boomers, 50% of Gen X, and 58% of millennials have a written transition plan with baby boomers paying little to no attention to their transition plan.⁷



Less than 48 percent of businesses with multiple partners have a buy-sell agreement in place.⁸

Only 58 percent of those surveyed have an estate plan. And among those with estate plans:

- 65 percent of owners said they need to harvest the value of their business to support their exit
- Only 60 percent of businesses have formally valued their business in the past two years.⁹

Business owners need to know how they can use life insurance in ways that may help support their business. Take advantage of the unique opportunity to educate them on the variety of options available and then present the solutions that may be right for them. Contact us for more information on how you can tailor your approach!

¹ *United States Small Business Profile, 2025 prepared by the SBA Office of Advocacy.* ² *Small employer's economics of Offering Retirement Savings plans, issue brief, 2025 conducted by Pew Research.* ³ *Teamshares Succession Planning Statistics in 2025: Preserving Legacy.* ⁴ *BizBuySell Insight. Report Q1 2019* ⁵ *CapitalizValue Potential Index Report 2024* ⁶ *Exit Planning Institute, EPI, 2025* ⁷ *San Diego Study of Area Businesses, EPI* ⁸ *Exit Planning Institute, EPI, 2019* ⁹ *Exit Planning Institute, EPI, 2025.*

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