

The Deeper Significance of a Listing Agreement

Listing agreements are very common when it comes to selling a business. In order to sell a business using an M&A Advisor, a listing agreement is usually required. In this article, we will explore this essential agreement and why it is so critical.



Signing a listing agreement legally authorizes the sale of a business. The fact is that signing a listing agreement serves to represent the end of ownership, which for many business owners, means heading into new territory. Quite often owning a business is more than “owning a business,” as the business represented a dream and/or a way of life.

Walking away from the dream or lifestyle represents a significant change. For many owners this is the end of a dream. It is not uncommon for many business owners to have started a business from “scratch,” and it is also only human to feel at least somewhat attached to the creation. Phrased another way, walking away from a business that one has worked on and cared for is often easier said than done. Businesses become integrated into the lives of their owners in a myriad of ways. Walking away is usually easier in theory than in practice.

Now, on the flipside of the coin, a signed listing agreement is a totally different animal for buyers. It represents the beginning of a dream. The lure of owning a business may come from a desire to achieve greater personal and financial independence, a sense of pride in owning and building something, a desire to always be an owner or a combination of all three. Buyers see the business as the next phase of their lives whereas sellers see the business as the past.

The listing agreement may seem simple enough, but what it represents is an important bridge between the seller and buyer. It is the job of the M&A Advisor to understand and consider the situation of both the seller and the buyer respectively and, in the process, work closely with both parties.

The lives of both the buyer and the seller will change greatly once the sale is completed, but in radically different ways. No one understands this simple, but very important fact, better and with more clarity than an M&A Advisor.

About CK Business Consultants, Inc.:

CK Business Consultants, Inc. has been dealing exclusively in the sale and acquisition of petroleum and propane related mid-market companies since 1976. We are qualified, experienced, and highly professional intermediaries working with both buyers and sellers in the successful transfer of business ownership. We handle all phases of the project including initial analysis, valuations, developing a confidential information memorandum, locating qualified buyers, negotiations, and execution of the transaction. For more information, please call or email Gary Papay @ 570-584-6488, gpapay@ckbc.net or visit our website @ www.ckbc.net.