

Great Tips for Selling Your Business

It takes preparation and focus to sell most businesses. The reality of the situation is that it can take years to achieve this goal. Partnering with a business broker or M&A Advisor is a smart step towards selling any business, as these pros know the very best tips. In that spirit, let's take a look at some great tips for selling your business.



Getting your business ready to sell means carefully evaluating the foundation. Any significant problem can send buyers “running for the hills,” so be sure that you work out any problems well before placing your business on the market. If you have any litigation or environmental issues, you most definitely want to address those issues before it is time to sell. Nothing will scare away prospective buyers quicker than pending litigation or the specter of a potentially costly environmental clean-up.

A second key issue you'll want to address is determining who exactly has the legal authority to sell the business. If a board of directors or majority stockholder situation is in place, then selling a business can become more complex than it would be if you were dealing with a sole proprietorship or partnership. Again, the last thing you want is for “legal surprises” to occur when you get ready to sell a business.

If you have non-negotiable items, be certain that those items are discussed upfront. Revealing your non-negotiable items at the very beginning of negotiations will save everyone involved a great deal of trouble.

Tip three involves maintaining a flexible mindset. In most circumstances, you simply can't have everything that you want. Both buyers and sellers need to be flexible. Sellers will want to be flexible about any real estate. Buyers may not want real estate associated with a given business, and you need to be prepared for this. Sellers should also be prepared to accept valuation multiples for lack of management depth and other factors, such as reliance on a small number of customers.

At the end of the day, sellers should partner with experienced professionals such as attorneys, business brokers, or M&A Advisors. You've put a lot of time, energy and resources into building your business. When it comes time to sell, it is only prudent to put together the best team in order to achieve optimal results.

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.

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