

Are You Ready to Sell Your Business?



Selling a business is often one of the most important decisions as well as one of the largest financial decisions that an entrepreneur will make in his lifetime.

Each year approximately 700,000 to 800,000 small-to medium-size businesses change ownership. Most of them are small owner-operated businesses, such as; retail shops, gas stations, quick print shops, dry cleaners, contractors, landscapers, accounting or bookkeeping services, small manufacturing companies and many types of franchise businesses.

No matter what kind of company you own, there is likely a buyer interested in your business (assuming the price is right) and it is presented to them correctly. Finding the right buyer and selling the business at the right price and terms requires hard work and planning.

This report is designed to help you understand the process of selling and to help you decide if you are ready to begin the process of finding the right buyer to purchase your business. There are many steps involved in preparing your business for sale, determining the correct market price, finding potential buyers, negotiating with those buyers, preparing the sales agreement and other documents, and getting to a closing on the deal.

Before beginning this process the most important decision that you need to make is whether or not you are truly ready to sell your company. This is not as simple as it sounds for many business owners. Most have worked very hard and invested many hours a day building the business, and sometimes letting go of a major part of their lives can become difficult, especially if it is a family business. People become creatures of habit and become so accustomed to working in their business that it defines a major part of who they are. In effect, it is a significant influence on their personality.

Because this can become such a difficult decision

psychologically, some people delay the decision and hold on to a business for too long.

If the owner has lost the drive to continue to build the business or at least enough interest to maintain the business in its current form, the time to sell may be at hand. You need to make a commitment to move forward with the sale process and work toward attaining the best price and terms possible for your company.

Selling a business is a time-consuming and potentially lucrative process for both the seller and the buyer. The successful sale of one's business may determine the style of retirement that the owner will enjoy or perhaps whether or not he will have the funds to invest in a new venture. For a buyer, this business represents new challenges, as well as offering the freedom to be his own boss and the opportunity and the freedom to work for themselves, building a valuable financial asset for their future needs.

Businesses sell based on the value perceived by the buyers. While they are extremely important, the financial aspects of a company are not the only factors a buyer will consider. It is up to the seller to figure out what other significant items of value the business has, and how to point them out to a potential buyer. This must be clearly represented to the buyer in the package of information prepared by the seller to market the business. For example, long-term clients, repeat customers, key employees, and outstanding reputation in the community or a strategic location will all be assets that a buyer



would consider important in determining the company's value. Most buyers will be looking for ways to enhance and grow the business beyond its current value. They are looking for the "upside" opportunities not yet realized in the business.

Selling a business is a very complex and sometimes frustrating process. Don't begin this process without an adequate understanding of the procedures and steps involved and a realistic idea of the amount of time preparations will take. In fact, if you are planning on selling your business at a later date, now is the time to start planning for that event.

If you are ready to begin the process of selling your business we encourage you to engage the services of experienced business transaction specialist, however if you have decided to undertake this process by yourself, our free reports will give you step-by-step guidance to complete the process.

For more information on how to engage a personal business advisor visit www.murphybusiness.com. We can also assist you with a more formalized business valuation report if you should need one. For more information visit www.murphyvaluation.com.

Is Selling Your Own Business Right For You?

Consider these questions to determine if this process is right for you.

Is saving money on broker's commission important to me?

Do you have the time to spend dealing with buyers and still run your business?

Does your business earn enough profit to attract a buyer?

Can your business operate by replacing you with the new owner after you provide some basic training during a transition period?

Do you already have a good idea who the likely buyer of your business will be?

Will you be comfortable negotiating with a buyer?

Will you be able to show the business to potential buyers and still maintain confidentiality?

Will you seek professional help when a situation arises that you are uncomfortable with?

Do you understand your business better than anyone else and have the ability to communicate the highlights to a potential buyer?

Can you spend the time necessary to market the business?

Are you willing to invest the time that it takes to determine the correct market value of the business?

Are you willing to spend your own time preparing the materials necessary to present the business to buyers?

Are you willing to take a hard look at your business and consider ways to make it more appealing to buyers?

Will you be comfortable dealing with attorneys, accountants and bankers?

Are you ready to sell your business if the right deal comes along?



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Why Murphy Business?

We are one of the largest and most successful business brokerage firms in North America with offices conveniently located throughout the United States and Canada. We are members of virtually all associations, group listing services, and networks that exist in the business brokerage industry, giving us unsurpassed access to buyers and sellers. Our proven process provides our clients with a higher closing ratio than industry averages. In this brochure, you will find useful information that demonstrates our commitment to success guaranteeing the highest level of professionalism and confidentiality in the industry. We promise that you will not find a more complete, thorough, and professional experience as the one Murphy Business can provide.

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