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# FIRST STEPS

when selling a business

## 1. Understand your real objectives in selling

- Do you want to sell because you've had the business for 5 years and the results have been poor?
- Do you want to sell because you're over-exposed to borrowings, your cash flow is tight and you can't see a way to get ahead?
- Do you want to sell because it's time to retire or move on to the next stage of your career?

### Be honest with yourself!

Your reasons for selling will help you create a negotiation framework to determine what an acceptable offer might be.



## 2. Find out what your business is worth

Engage an experienced business valuer with a sound understanding of your industry to provide a valuation.

Knowing the **likely fair market value** of your business is critical to making decisions against your objectives in selling.

Without a valuation you could waste time, effort and money on a sale process that doesn't actually have a chance of meeting your needs.



## 3. Decide what help you need to sell it

If you decide to place your sale in the hands of a professional business broker or advisor, remember they're not all created equal.

Evaluate their abilities by asking for evidence of their:

- Experience
- Project management skills
- Communication skills.

Ask for referees you can speak to and don't be impressed by the size of a broker's database!

Remember: a broker's strength is in the quality of the connections and relationships they have within your target market.



If you are considering selling your business, contact the business advisory team at JPAbusiness on 02 6360 0360.

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