



Having the right professionals on your side can dramatically increase the chances of a successful business sale.

- Plan ahead
- Maximize your business value
- Know your value
- Discuss the sale with your family
- Have reasonable expectations
- Get the right experienced team working with you

Planning ahead, especially with PMABB, ensures that market conditions and the many other elements of a sale work in your favour; and it gives you the time to make the operational changes necessary to boost the value of your business.

As for that value, Bacinello points out that it has to be justified and defended during any sale — therefore, it has to be “based on quantifiable factors, not on the owner’s personal estimation of worth or emotions.”

Consulting with family members ensures that everyone is on the same page, while having reasonable expectations — which PMABB can help create — can help you determine when to sell and go, or hold and grow.

Finally, given that a sales team includes a lawyer, accountant, investment advisor, tax planner, business broker and others, it’s imperative that each member has the experience as well as responsiveness and an appropriate understanding of your needs.

“Owning a business versus selling one requires different expertise and skill sets. Selling a company and business is a major life decision, one to not be taken lightly. Having the right professionals on your side can dramatically increase the chances of a successful sale, and provide value far in excess of fees paid, whilst guarding against a dreaded failed or poor deal.” ■

The Do’s and Don’ts of Selling Your Business

Acquire a professional with the proper credentials to guide you

Selling your business is likely the most significant transaction you will ever undertake, and Pino Bacinello, president of Pacific M&A and Business Brokers Ltd. (PMABB), says proper preparation today is more important than ever.

That’s because as baby boomers begin to retire, the current seller’s market is transitioning into a buyer’s market in which the large number of sellers will drive prices down. Accordingly, Bacinello and his team have formulated a

list of Do’s and Don’ts to help you maximize value and preserve your wealth. High up in the don’ts category are: Don’t do it on your own, and don’t just look at the price. “Let a professional with the proper credentials and experience help guide you towards maximizing your value and act as a buffer between you and the buyer,” says Bacinello. “It’s critical for this advisor/broker to be knowledgeable in multiple facets of the transaction, including accounting, marketing, law, negotiations, structuring and tax requirements.”

Instead of solely looking at the price, Bacinello notes, “We always say ‘it’s price as well as terms.’ For example, an all-cash price may be OK even if a bit lower, while terms such as a vendor note may require a higher price.”

Other don’ts include: Don’t make yourself irreplaceable (because it might make the buyer worry that he or she won’t be able to achieve your level of success); Don’t rush (especially during due diligence, which PMABB performs ahead of time to avoid possible hiccups or derailments); Don’t hide your weaknesses (they can often be of value to a buyer wanting to fix things); and Don’t neglect the performance of your business for sale (which is another reason why PMABB and their Certified Business Intermediaries and M&A Advisors should deal with the sale instead of you).

Moving on to the other side of the ledger, Bacinello believes the six most important dos are: