

Exit Strategies - Questions?

To Start with, there are a number of questions to be asked and answered well in advance of any intended sale, and for which one must allow time and action/assets to prepare properly to assure the best outcome, both in dollars for the business as well as terms of any sale or transfer. Just a few of these are:

- How much is my business worth?
- Should I sell my business assets separate from the business intangible or more nebulous assets, like intellectual property, good will and proprietary production manufacturing processes, etc.?
- Should I consider renting the physical plant/property (if owned) to new owners?
- What is the best exit strategy for my situation? (third party sale, sale to an employee, a family member, ESOP)
- How can I maximize the proceeds after taxes and fees?
- If I decide to sell, how do I keep the sale of my business confidential?
- How long will it take to sell my business?
- How would I find buyers for my type of business?
- Is there a good time to sell?
- What do I need to do to prepare for the eventual sale of my business?
- Do I need a Business Broker, an M&A specialist or an Investment Banker to help me?
- AND MORE....

Remember that the best exit strategy is exactly that; a carefully planned and thought through strategy with the commitment of time, planning and funding to assure its success. An exit strategy is necessarily one you are required to develop yourself along with professional advisory, as it is for you, and you who will have to execute it, let alone reap its results! As well, a successful strategy is a “living” thing. By that I mean it needs to be integrated as part of your business and all its active daily and long term planning to assure it (the exit strategy) is considered and fits with all you are doing or intend while the business is still actively managed by you for a profit and not to yet for sale!

There will necessarily be times and decisions that come up within your going business operations that may well conflict with your exit strategy. These will often be minor conflicts, but may be items where the business needs outweigh the exit strategy needs. However, with thought, they often can be done in a way to benefit both. The point is, with out such a strategy and an active application of same, you will miss those opportunities, and/or develop decisions which may well negatively impact it. Most importantly, if you have a strategy in place, you will know what the effects are and have the opportunity to make insightful and informed decisions to your best benefit as you continue your business. Without a strategy... you're just back at square one and have to hope for the best when it comes time to sell!

ALSO REMEMBER, the best time to find and even be cautiously looking for a future buyer is when you DON'T have to sell the business or aren't at the point you've “had enough!”

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