

Sell Your Business in 90 Days – A Blueprint



1 Pre-listing prep

Before searching for buyers you should:

- ▶ 1) create organized financials free of complications or personal items;
- ▶ 2) formalize documentation of marketing, sales, accounting, IT, and operational systems;
- ▶ 3) strengthen relationship with key customers, vendors, and employees;
- ▶ 4) prepare your narratives for any issues including: why you are selling, excess customer concentration, key employee issues, vendor issues, real estate or lease issues, declining sales/profits, or any other difficulties the buyer may perceive;
- ▶ 5) pick a pricing formula.

2 Attract buyer prospects

Potential buyers can come from existing partners/ vendors/customers, business brokers, online portals (e.g. bizbuysell.com), attorneys, venture firms, friends, or employees.

3 Receive an offer (LOI)

Don't forget to keep selling once you have an interested party. You need to receive a formal offer or Letter of Intent to move to the negotiation stage.

4 Negotiate

If you feel comfortable, you can negotiate many of the key deal points yourself. Many buyers find that negotiating a two-page letter of Intent covering the price, payment terms, non-compete, and other significant deal points can be done without the complication of attorneys.

6 Get paid

Nothing beats a huge check at closing. However, most deals involve a holdback or owner financing. Expect to sign a non-competition agreement, work for the buyer for a while, and have 15% or more of the deal paid over time.

5 Get Legal

Once you have an agreement to agree (LOI), get an experience exit attorney. An experience transaction attorney can save you headaches and money, so don't skimp. However, attorneys are paid to protect you, not get the deal done. Don't be afraid to tell your attorney that you are willing to accept a bad term or two to get the deal done.

