



As you prepare to sell your business, consider these important factors before marketing your company to potential buyers.

Creating a successful exit strategy for your company's transition will help ensure its future success and the value you ultimately receive. Here are some points to consider when planning the eventual sale of your business:

## FINANCIAL STABILITY

- Revenue growth creates confidence that a buyer will be able to generate sales and revenue after the business changes hands
- Maximize profit by focusing on achieving operational efficiencies, cost reductions, and other value enhancers in advance so they're easily demonstrated to a buyer.

## VALUE

- What it is that is driving the value of your business. Is it recurring annual contracts?
- Is your market position unique? What makes you different from your competitors?
- What is your business worth? Be sure not to mistake its value for what you need, or want to retire

## MANAGEMENT

- What is motivating you to sell your business?
- Break free from the day-to-day operations of your business. Prospective buyers need to see a strong supporting management team.

## MARKET

- Is your customer list concentrated between one or two customers
- How does your company compare to the health of its industry segment?
- A diverse product set, or portfolio of services, provides opportunities for growth in an increasingly competitive market.

## ACCOUNTING

- Have strong financial controls and processes in place.
- Reliable financial statements and accurate, timely reporting are important features that often influence a buyer's decision.
- Solid cash flows, a strong management team, and lower capital expenditure will position your business as an attractive acquisition.

One last thing, honesty is always the best policy. Remember there is no such thing as a perfect business. If you are honest and transparent from the beginning, you will not risk the sale of your business.