



Should I Sell My Business Now?

If you simply are not emotionally ready to sell, if there is still fire in your belly — enough fire to fuel your continued investment in the company — or if you ultimately want to leave the business to family members or employees, then you may not be in a position to sell your business — yet. If you and the business are ready to sell, but you still hesitate, let's look at typical reasons for that hesitation and what you may be able to do about it.

The premise of this article is that owners typically don't sell when they should because they procrastinate, or they fear the **unknown** and, perhaps more specifically, they fear losing the **known**.

Procrastination on the part of an owner is not uncommon and can arise for one of several reasons. First, some owners just don't know where or how to start planning an exit. If you are one of those owners, then reading the remainder of this article is a good start. The next step is to contact our offices to begin the process of creating an Exit Plan that allows you to cash out of your business and leave in style when you are ready to do so.

Second, some owners think that they can sell later, but as we have been discussing, when most Boomers reach retirement age, the glut of companies in the marketplace may drive prices down. Further, the M&A cycle can have a huge affect on the sale price of a company.

In the third group of procrastinating owners are those who believe that because they have "good" businesses, the process will take care of itself. When they think about selling, they simply assume that there isn't much for them to do. They believe that when the time is right, the right buyer will appear and pay them a great price for their company.

It does happen, albeit quite rarely, that the right buyer appears and pays a great price for a great company. However, it can be much better to prepare for the biggest financial transaction of your life, instead of leaving the success of your business exit to the luck of the draw.



Steven Baldo
stevebaldo@coresbs.com

CORE Strategic Business Solutions
coresbs.com
Offices of GCW Capital Group
38 Lake Street
Hamburg, NY 14075
[\(716\) 648-2412](tel:7166482412)

In our experience, the owners who suffer from the fear of the unknown usually hold one (or more) of the following opinions:

- I don't think the business is worth enough to satisfy my financial needs and objectives.
- If the employees discover I'm trying to sell, they will all quit.
- Because I'm indispensable to the company, I'll be required to work years for a new owner and I don't like working for anyone!
- The sale process will take too long and cost too much.

On the other hand, the fear of losing the **known** is usually based on the following:

- The business has been my life — or at least it has given my life a great deal of meaning and focus; without it I may feel lost.
- The government will take too much in taxes — it's easier, less risky and more lucrative to stay, enjoy the cash flow and then leave getting paid over time.
- What will I do after I sell and leave the business? I don't know what my life will look like if I leave.

If one of these concerns resonates with you, then the time may be now to call our office to squarely assess these concerns. We can help you identify which concerns may be truly “real” and which ones may be easily resolved. We can help guide you through the process of reviewing all of the factors associated with exiting your business, which may include the creation of a comprehensive Exit Plan that can help remove the common roadblocks, while addressing all of your personal and business objectives.

The information contained in this article is general in nature and is not legal, tax or financial advice. For information regarding your particular situation, contact an attorney or a tax or financial advisor. The information in this newsletter is provided with the understanding that it does not render legal, accounting, tax or financial advice. In specific cases, clients should consult their legal, accounting, tax or financial advisor. This article is not intended to give advice or to represent our firm as being qualified to give advice in all areas of professional services. Exit Planning is a discipline that typically requires the collaboration of multiple professional advisors. To the extent that our firm does not have the expertise required on a particular matter, we will always work closely with you to help you gain access to the resources and professional advice that you need.

This is an opt-in newsletter published by Business Enterprise Institute, Inc., and presented to you by our firm. We appreciate your interest.

Any examples provided are hypothetical and for illustrative purposes only. Examples include fictitious names and do not represent any particular person or entity.