

5 Questions To Ask Before Selling Your Business

Sell Your Business 101 #VRVALUE

Selling your business is not something you do every day. Most owners never have. Begin with these questions to unravel the mystery of what it really means.

1 What is my business worth?



The answer will largely determine whether or not you proceed with a sale. Working with someone (like us) who has a finger on the market pulse and understands how to value a business will give you a realistic view of the market.



Free Business Valuation

Complementary. No obligation.

<https://vrnewhaven.com/free-business-valuation/>

2 What will be the NET proceeds of a sale?



Knowing this number is more important than knowing the valuation since it is the sum of money that will be available to either fund your retirement or pursue another opportunity. Additionally, most transactions are structured with a portion of the purchase price paid with deferred payments that come in the form of sellers' notes or earn outs. Understanding the tax and financial effects of deal structures with these kinds of terms is also critical. Involving your accountant and financial planner in the sale process will be an important step to making an informed decision.

3 What if my business is not worth what I want or need it to be?

INTERNAL

Businesses are not always as well run as they can be or have an operating deficiency such as high customer concentrations or poor accounting systems that negatively affect a valuation. In such cases, there is much that can be done to fix the problems.

EXTERNAL

Often businesses operate in industries that don't command premium sale prices. This problem is external to the business and not much can be done to change it.

INCREASE VALUATIONS

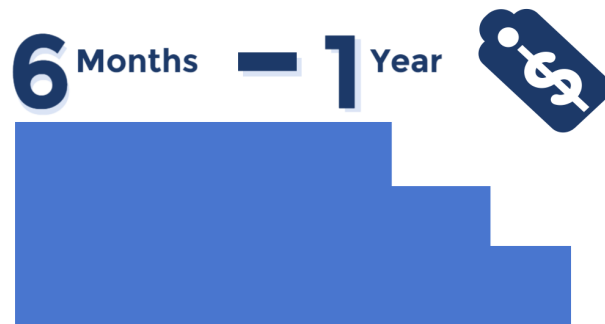
Improvements may require that you defer a sale, but any efforts to improve the business will always yield a higher sales price.



All of our agents are capable of identifying what needs to be addressed to improve a company's valuation and can assist you in implementing the changes.

4 What is the process for selling my business?

Selling a business involves a lot of moving parts and typically takes six months to a year.



Engaging an intermediary to manage the process is important. You don't want to be distracted from running your business, especially since it is important to have the business perform well in the year you sell it.

VR Step by Step Process Guide: <https://vrnewhaven.com/the-9-step-sales-process/>

5 How can I maintain confidentiality?

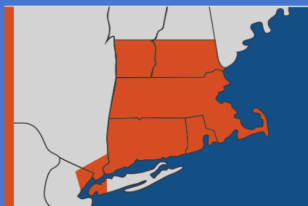


CONFIDENTIALITY

Sellers generally don't want their employees, competitors, customers and suppliers to know the business is for sale.



At VR Business Sales, we don't let interested buyers know anything about the business, other than the basics, without vetting and signing confidentiality agreements. In particularly sensitive situations, we won't do anything until we run the name of the buyer by you.



VR BUSINESS SALES | MERGERS & ACQUISITIONS

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