

The Business Experts Bureau Great Business Idea - Tuesday 13th July 2010

The three main methods of selling a private business are:

1. A complete sale –this involves a total transfer of ownership
2. Private equity – where a partial sale of the firm occurs
3. A management buyout – where either all or part ownership of the firm is transferred to key employees.

The method of sale used would depend entirely on the nature of the business.

Preparing a business for sale needs to begin well before you intend to sell. The business seller needs to measure the firm's performance in isolation; away from any other business activities and personal expenditure. When selling a business "You only get one chance to make a good first impression" to a potential buyer. Therefore it is vital that the business seller is proactive (and not reactive) in providing accurate documentation in a timely manner in support of buyer's due diligence investigations. A qualified consultant will ensure adequate processes are in place to manage the release of this information.

A business broking expert can undertake a business appraisal. This will provide the business owner with a view on its current risk profile and where their business could potentially be in the future in terms of value.

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