

# 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. 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.

## THE BOTTOM LINE

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.

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.

## CONNECT WITH US TO GET STARTED.

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.

