



Time to Sell Your Business?

Bill Leech, CEO of the **Henley Business Group**, identifies some of the most important issues, which need to be reviewed prior to selling a business.

TIPS FOR INCREASING BUSINESS VALUES

FOCUS ON SELLING.

Review your sales plans & concentrate on selling the benefits of your products and services rather than just the features of your products.

INCREASING SALES & PROFIT RECORD.

Aim to demonstrate consistency; preferably with increasing sales/profits, as it will help substantiate the sale price.

REVIEW THE MARKETING PLAN.

Review new markets for existing products and new products for existing markets but be wary of new products for new markets, as this will be double the risk.

REVIEW THE CUSTOMER BASE.

Businesses should aim to have a good spread of customers, with no one customer accounting for more than 10%. Recurring/contract income is always greatly valued.

REVIEW PRICES AND MARGINS.

The greater the profit, the more valuable your business will be. The most successful businesses are customer led; they don't necessarily have the cheapest products.

YOUR GREATEST ASSETS – CUSTOMERS & REPUTATION.

The greatest asset in any business is its reputation and its customers. Ensure there are no skeletons in the cupboard.

REVIEW THE MANAGEMENT STRUCTURE.

Businesses are difficult to sell if the Business Owner *is the Business*. The business must become *independent* of the owner rather than totally *dependent* on the owner. Make sure you have the right management team in place.

UP TO DATE INFORMATION.

A well run and administered business will increase the perceived value. Nothing puts potential buyers off more than a lack of up to date accounts and information.

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SELLING QUALITY BUSINESSES

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