

Two men in business suits are looking at a tablet together. The man on the left has a beard and is wearing a dark suit over a light blue checkered shirt. The man on the right has glasses and a beard, wearing a grey suit over a blue shirt and dark tie. They are both looking down at the tablet held by the man on the right. The background is a blurred office or business setting.

VETTING PROSPECTIVE BUSINESS PURCHASERS

Building a successful business is never quick or easy – it takes years of hard work and dedication. Selling a business isn't straightforward, either. Vetting prospective buyers takes time, effort and expertise. But with the right groundwork and support, you can be confident of securing the right buyer and the best price.

Every business is different, and so are each owner's sale requirements. It's often not just about the size of the cheque, but also knowing the business will be in safe hands. It's about doing a deal that meets an owner's lifestyle plans, as well as their long-term aspirations for the business and its employees.

This is why each sale strategy has to be tailored to meet a vendor's unique needs. However, each sale process must be anchored to the same robust vetting procedure.

A POTENTIAL BUYER MUST

1

KNOW WHAT THEY WANT

It's essential a purchaser has a thorough understanding of the type and size of business they want to buy. Are they a financial buyer, solely interested in your company's profitability? Or are they a strategic buyer, looking to expand or compliment their existing business? Tyre-kickers with no defined business plan will waste everybody's time and effort.

2

BE QUALIFIED

A purchaser must have the relevant experience to purchase your business, or have plans in place to retain or employ qualified staff. They must have researched the skills needed to ensure a solid future for your business and its employees.

3

HAVE FINANCE

There's no point in discussing the sale of your business if the potential buyer doesn't already know how they are going to fund the purchase. For example, what size deposit do they have, and how do they intend to complete the transaction?

4

WORK TO A CLEAR TIMETABLE

Selling a business isn't a quick process. Any potential purchaser must be able to provide a timeline going forwards – one that takes into consideration the most suitable exit arrangement for the vendor. This is essential if they want the vendor to remain as an adviser, which in turn has knock-on financial implications for the sale.

The sale period is a crucial time during which an owner has to ensure their business is performing at its peak. It isn't as simple as putting up a For Sale sign, as this can have negative connotations for clients, vendors and employees. That's why it's essential to call on expert advice and not lose focus on the day-to-day running of your business.

At Bayleys, we have a dedicated Business Sales Division, and have spent years compiling databases of genuine prospective business purchasers. We start the process with handpicked qualified buyers, who have already outlined to us what they are looking to achieve by purchasing a business.

Then we protect the business owner by ensuring only the right people are provided information. By the time your staff and customers find out about the sale, a deal will have already been done – leaving you, the vendor, with only one problem: how to enjoy the financial rewards of a lifetime's hard work.

Contact one of our specialist business brokers for an informed and timely take on the market and how we can achieve a great result for you.

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