

SHOULD YOU BE SELLING YOUR BUSINESS... RIGHT NOW?

The answer, of course, is “it depends”! Research suggests that the market will soon be flooded with “baby boomers’ ” businesses as they reach retirement. In one survey close to 60% of business owners said that age was a motivating factor for exiting their business. In another 75% stated that they were looking to sell within the next 3 years. This would suggest that soon just about every privately held company will be on the market.

While there are always those predicting the next Apocalypse, there are some compelling reasons to sell now – and some that suggest you should wait. One good reason for any owner to sell is that it might just be time to kick back and enjoy the fruits of your labour. After years of slavish dedication “burn out” is a very valid reason to move on. Without realizing it things begin to slip. You lose a customer here and there without replacing them. You haven’t bothered to follow up on a supplier offering you a better deal. Soon you’re convincing yourself that things are down a bit because of the economy or the government or maybe the competition. That you’ll wait until next year for things to pick up a bit.

In one survey 35% of business owners said they felt that their business would continue to grow and hopefully would increase in value. The fact is that no one can predict the future. New competitors can enter the market, government and compliance regulations may affect profit lines or economic forces might turn against you and that “fire in the belly” you once had is gone.

As a very wise man once told me “The time to start planning your exit is the day you start your business”. Business owners can’t outgrow environmental factors such as the economy, interest rates, legislative changes or halt aging. The time to sell is when you are ready to sell. To learn more about current market trends, what your business might sell for, and what your next step might be, call me.

Ivan Tava is a Corporate Broker / Consultant with Divest, a full life-cycle business sale and acquisition company helping clients to buy, grow and sell businesses and companies.

Ivan has a strong business background, a passion for delivering results and over 25 years of senior management and consulting experience guiding successful businesses. He is uniquely positioned to provide advice and broker the sale of your business.

Ivan Tava
Business Sales & Transition Specialist
027 288 8855
ivan@divest.co.nz


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