

Client: Hamilton Bradshaw
Source: Evening Standard (Main)
Date: 13 January 2014
Page: 46
Reach: 686440
Size: 109cm2
Value: 7232.15



HAMILTON BRADSHAW
Investing in people with passion

Time to sell, but how do I make it all go to plan?

**Ask
James**



James Caan

Dear James,

I STARTED a software development company over a decade ago and growth has been excellent. I want to exit the business. How do I make sure the sale goes smoothly?

Tim

SELLING a business is a significant moment in any entrepreneur's life. You have spent years nurturing and developing it, and it is crucial you maximise the value you get. This is very rarely a quick-fire process.

When I wanted to sell my first business, it was only after speaking to experts that I realised what a huge process it was. You must prepare it for a sale – and that means preparing it for life without you.

Nobody will want to buy a company that is heavily dependent on you, as there is the risk of it suffering once you have sold, so ensure there is a strong management team in place. If you need to restructure the organisation and add another layer of management, do so.

A buyer will be interested in the growth potential of your business. The more credible your growth story, the greater the uplift in your selling price. Your intellectual property is also hugely important. What is and isn't the property of the company? Due diligence is often done by prospective buyers, but undertake your own reverse due diligence.

Understand the buyers' motives. Look at the chemistry and see if

buyer and company are the right fit.

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