

The Business Buzz

What's New in Business Sales

Compliments of The Authority in Business Sales



Sellers: What would make your Business more desirable to Buyers?

Today more than ever, we have buyers looking for large, absentee and semi-absentee businesses. With regard to small business owners, however, how can you stand out and make your business more desirable to today's buyer?

As a business owner, are you performing many of the menial tasks that could be delegated to an employee? Over the years, we have found that buyers are more attracted to organized businesses with systematized delegation strategies in place. Responsibilities that don't require the seller's specific skills can be reliably delegated to employees; thus, the business owner doesn't attempt to do everything themselves.

Another important feature that buyers are looking for is a well-documented business operational system. Do you have an organizational chart that lists employees and their roles? Do you have each role defined and the process/tasks that each employee performs documented? Employee manuals help buyers feel a lot more comfortable. Imagine being a buyer and feeling fully dependent on the seller's employees, apprehensively wondering at the outcome of the business if one of them leaves. However, if you're capable of saying, as the business seller, "I have employee tasks defined and a manual on how each task is performed," imagine how much better this message will resonate with a buyer. Buyers can relax with the knowledge that performing needed tasks or training someone new will be a lot less time consuming and worrisome. If you don't have the business operations documented, there is no time like the present to get started.



Buyers will be more interested in your business if they are able to spend more time working **ON** the business instead of working **IN** the business.

If you're a business owner who is considering selling your business, consider either delegating more of your tasks to your employees, or try to hire an employee who can relieve you of those unskilled, menial tasks. Not only will this help you in the present, it will likely also help you sell your business for the highest price possible, because your business will be more desirable as a result.

Your First Choice Business Broker professional can discuss experiences that might make your business more saleable.



Recently Sold Businesses

Dental Lab

Tax Consulting Practice

Day Spa & Salon

Ice Cream Shop

Painting Contractor

Distribution Company

Metro PCS Phone Store

Registered Elderly Facility

Light Manufacturing Company

Printing Shop

Auto Supply Business

Fitness Studio

Catering Company

Food Dist. Business

Bakery

Laundromat

RV Detailing

Stand alone pub and restaurant

Chocolate and Candy

Looking Past the Financials

Once you've honed in on one business in particular and have decided to make a purchase, it seems only natural and obvious that, as a buyer, you will want to see the financials, right?

But, what about the story behind the P & L's?

Often, a seller's personal circumstances are the cause for income fluctuation, resulting in financials not looking so great or even showing a significant drop.

A sophisticated Buyer will look for the back-story of the P & L's to see if there is a relatively simple way to improve the business' bottom line.

Over the past 24 years, we have seen good income producing businesses take drops due to a pending divorce, health issues, or other circumstances personal to the seller. One such situation, as an example, was a great distribution company whose bottom line had taken a severe drop. The reason? The seller had taken a substantial amount of time away from the business to care for her addicted daughter.

When the Buyer kept asking, "Why the "lower income?" the seller finally confided that she was not proud of her family problems and that she had spent a considerable amount of time out of state. The Buyer then fully understood the seller's predicament and the opportunity presented and purchased the business.

The point of this article is that, if you are looking at a prospective purchase of a business, you need to find out why the

Featured FCBB Businesses for Sale



[Niche Electrical Contractor with City Contracts](#)

Price: \$750,000
Southern California



[Clinical and Operation Healthcare Consultation Co.](#)

Price: \$1,230,000



[California Vision Benefit Plan with Knox-Keene License](#)

Price \$3,850,000
Southern California

Store

Dry Cleaner

Cryotherapy Spa

Online Leather Goods Seller

Composites Fabrication and Production Services Mfg.

Coffee Cart and Convenience Store

Nutrition Store

Bagel Shop

Pizzeria

Apparel Printing Business



income has either fluctuated or dropped for no apparent reason.

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This Issue's Buyer Tip

Always ask the Business Broker for the "back-story" on the business income - there is more to each business than meets the eye.

This Issue's Seller Tip

Make sure your business operations are well organized and documented - this will make your business more desirable to buyers.

Learn more about the selling or buying process by contacting your local [First Choice Business Broker](#) today.



[Turn-Key Vending Co.](#)

Price \$479,000
Nashville, TN



[Fine Italian Specialty Food Distributor](#)

Price \$349,000
Suffolk County

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