



BENJAMIN F. EDWARDS® & CO.
INVESTMENTS for GENERATIONS®

Investment Banking

Selling Middle-Market Companies

Assisting on Targeted Acquisitions
Independent Advisory Services to Business Owners



Winter 2018

Business Owners:

When is the Right Time to Sell Your Company?

Often business owners consider selling the business when there is a problem, such as the loss of a key customer or employee, a shift in the market, or increased competitive pressures. At other times, a company is placed for sale because the owner is simply approached by a prospective buyer. In most situations, the transaction value will likely be closely aligned to the company's revenues and profits as well as the growth potential.

Because it is very difficult for the business owner to contemplate selling when opportunities are strong and the business is growing, it is essential that business owners are aware of the "window of opportunity" to help realize a premium transaction price. There are external factors, including the economic climate and the strength of the U.S. mergers and acquisitions (M&A) market, that can impact the transaction value and the probability of success. For example, the acquisition market was negatively impacted during the most recent recession from 2008 through 2010. However, currently the U.S. M&A middlemarket is very strong with U.S. corporations flush with cash, low interest rates, and an increasing number of private equity buyers.

So what is a business owner to do?

HAVE A STRATEGY

Every business owner needs an exit strategy which includes a plan that addresses when and if to sell the company. The process of planning for an exit will help the business owner determine the right time to sell.

PUT YOUR BEST FOOT FORWARD

You will need to position and time a sale to help you generate maximum value. An investment banking firm should be retained to position your company in the market and direct the sale.

Internal factors within the business are the key drivers of value. When contemplating selling, consider the importance of timing. Keep in mind that when the business is thriving and growing, as opposed to when there are new challenges, is often the optimal time to sell to realize the best price and deal.

2018-2082 Exp. 12/31/2020 Member SIPC

Benjamin F. Edwards & Co.'s Investment Banking team specializes in selling middle-market companies.

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