

A Complex Process Simplified (Pt. 2)

In the world of selling your business, the approach you choose can make all the difference. Let's delve into two contrasting strategies: The "Hard Way" and the "Vista Way".

The Hard Way: A Tempting Shortcut

Talking to one buyer at a time seems like a logical approach to selling a business. Many investment bankers take this one at a time approach. Or see a business owner who wants to or has reached out to one buyer, who they believe to be a great fit for the business. This approach seems easier, seems safer, seems like a great option to consider. The problem with this approach is a complete lack of urgency and leverage to create urgency. These situations can easily turn into a never-ending cycle of questions and meetings. The interested buyer is always a few weeks from the next step, but never reaches the next step. Many times, the owner never reaches that carrot at the end of the stick.

When the project moves to the next step and an offer is received, the owner has very little leverage to negotiate. They've invested months and months into this buyer and the thought of starting over is daunting. The leverage is firmly on the buyer's side of the transaction.

The Vista way: A Proven Method

At Vista Business Group we market the opportunity aggressively, bring many buyers to the project at the same time and then set a deadline for round 1 of offers. This is the Indication of Interest round. We'll review all the offers with the owners and allow 5 forward in the process. We'll then set a deadline for round 2 offers. This is the Letter of Intent round. Buyers who aren't truly interested and engaged don't meet the deadlines and are removed from the process.

After we receive the Letters Of Intent, we help the sellers negotiate. At this point of the process, the owners have 5 strong offers from 5 qualified buyers. Negotiating leverage is firmly on the owner's side of the transaction.

If you're interested in selling your business with a trusted advisor, contact Vista Business Group today at (913) 944-2285.

