



Are You Ready to Buy?

Develop a Strategy

Have a written 'game plan'. Determine what you want and why, the timing, and how much you can pay. Consider how to go to the market. What assistance do you require? Above all, what is the "best practice" strategic outcome you are seeking?

As a buyer, you will need to demonstrate your value proposition 'above cheque book'. It is folly to assume that simply having the money to buy will automatically give you the power over the seller, or the trust and confidence of the seller. These intangibles need to be earned, particularly in a sellers' market where Kenyon Prendeville receive on average 45 calls for every business listed and of these we ascertain that 15 to 20 meet the acceptable criteria. However, our role is to select only 5 or 6 to go forward to a first interview. The key learning here for any potential acquirer, is you must be able to demonstrate previous success in your own business and a clear value proposition to the vendor and his / her clients and staff.

Finance

You need to have explored, if not sourced, finance for your acquisition. You need to have considered the ramifications of an acquisition, such as the impact on any existing business and the resources required to complete and integrate the acquisition. [Click here for further information on finance.](#)

Realistic Expectations

Have you seriously considered the duration of any transition period post-sale? How long do you

want/need the seller to stay on? What transition program needs to be implemented?

Flexibility

Any successful deal requires flexibility. Often buyers can feel that they paid more than they should, and the seller may feel they have sold for less than true value. This is the point of convergence. Price is just one factor; flexibility on a wider range of issues such as timing, transition, continuity of staff and ongoing roles all contribute to achieving a successful outcome.

Timeframes

An acquisition should be managed like any other important project. Timeframes should be established and monitored. All parties should agree to the timeframes and commit to ensure the process gets to a 'go' or 'no go' expeditiously. The more protracted the negotiations, the less likely a sale will be finalised.

Seek Professional Advice

Use an experienced business advisor, knowledgeable in this field, to assist you during the acquisition process. Business advisors should have extensive networks and specialise in the requirements of this type of acquisition. Their skills will help ensure a smooth and successful negotiation for all parties.

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