



## THE IMPORTANCE OF

# EXIT PLANNING

*By Brendon Falk*

The biggest problem facing small business owners is failure to develop and deploy an Exit Plan when it comes time to exit their business.

### **What is the purpose of having an Exit Plan?**

It is important to develop and implement an Exit Plan for the purpose of meeting your objectives and facilitating a successful transition.

### **What is the type of Exit Plan that I provide?**

I help you exit your business cleanly and efficiently through a business sale to an external buyer.

### **Why sell to an external buyer?**

Internal succession to parties such as staff or family can create major ongoing headaches for those wishing to exit. Whilst transitioning the business internally usually means less work finding a buyer and training them, it nearly always results in the seller retaining part ownership or financing the purchase and continuing to be involved in the running of the business. This is not usually a desirable outcome hence I look for external buyers that will purchase the business and not expect you to stick around.

### **How do I deliver value with an Exit Plan?**

With my qualifications and experience, I am able to offer practical exit strategies which will help meet the following objectives:-

- To increase the value of your business to obtain a higher sale price
- To increase the market appeal of the business
- To decrease the time your business is exposed on the market
- To reduce the sale costs and preparation time
- To increase your net capital gains
- To allow you to walk away from your business after settlement

### **What is the seller required to do?**

This varies considerably and will depend on whether you are in a good position to sell or not. After my preliminary analysis of your business, we will be in a position to know what recommendations are necessary to put you in the best position to exit your business successfully. The main thing is to focus on implementing the recommendations if you wish to achieve your objectives.

### **What will my services cost?**

My commission for selling your business is fully inclusive of my Exit Planning services to sellers. There are no upfront fees for this advice which makes my commission exceptionally good value to clients. However, professional consultants such as lawyers and accountants will bill you directly for their services. These services may be required during the course of preparing your business for market.

### **Where to from here?**

Please contact me for a free business appraisal after which I will be able to help you put an Exit Plan in place to facilitate your departure from the business. I can be contacted on my mobile 0412 311 803 or by email [bfalk@foresightbusiness.com.au](mailto:bfalk@foresightbusiness.com.au).

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