



20 Key Elements To Any Business-For-Sale Listing

The National Association of Realtors estimates that over 60% of home buyers search the internet for homes for sale first before they pursue traditional means of house hunting. It is logical to assume that buyers of business would also consider the same internet based search approach.

If you have decided it is time to put your business up for sale and you want to take advantage of the various business-for-sale listing websites, this article will give the fundamental company information areas you'll need to cover within your posting.

Professional business buyers always want to know the same fundamental elements of information about a company within a new business-for-sale listing, they are:

- Last (2) years total revenues
- Last (2) years EBITDA
- Asset/ Liabilities - Commentary
- Location (at least the State)
- Owner's asking price or valuation of the business
- Type of business: manufacturer/ services/ distributor/ contractor etc.
- Year founded
- Succinct description of products or services
- Website?
- Number of employees
- Union or Non-Union?
- Targeted customer types
- Degree of customer concentration
- Patents or Intellectual Property?
- Legal Encumbrances?
- Reason for Sale?
- Owner/ Management stick around post sale?
- Sale terms or conditions offered/ required from the seller
- Means of marketing/ Sales
- Future growth and why?

It is important to make every attempt possible to provide the required company profile information for each and every information area mentioned here.

Often business owners or business seller representatives do not provide fundamental company information and consequentially a tremendous amount of unnecessary time and energy is spent just having to field telephone calls or e mails from:

1. “Fact Finders” – they contact you just to get the basic information required that could have been provided within the original posting
2. “Unqualified Buyers” – people who contact you who thought they were qualified to buy the business for sale, but after learning more information not contained in your posting, could no longer consider the purchase for various reasons
3. “Tire Kickers” – individuals who contact you because the sketchy business-for-sale posting allowed them to call you. These generally are not serious or qualified business buyers but you have them any excuse conceivable to contact you about the business for sale. It is “open season” with this kind of listing reader.

When not enough fundamental information about the company for sale is provided by the business owner or seller representative within their listing, the risk of having many potential business buyers decide not to pursue the company listed is the ultimate price to be paid by the seller.

In conclusion, take the time and effort required to develop at least two different drafts of your company listing. Show the two drafts to a business associate or friend and determine which is preferred, or combination of the two listings elements, work best to motivate the reader. If you are limited on time and resources to respond to anticipated business-for-sale listing responders, there is no better way to allow potential buyer to disqualify themselves than to provide all the necessary company information within your postings.