

Business Exit Options					
Option & Description	Pro's	Con's	Exit	Implications For You	Rating
<p>Liquidation/Winding Up Immediate or Over Time</p> <p>Close and sell the business assets. You can take money out over a period of time, not invest in business, cash in the assets and then close. If you are the sole owner/fee earner this might be only option. Can be fast but little financial gain</p>	<p>Can be fast Simple</p>	<p>Lowest ROI 2nd hand assets low value</p>	<p>Walk away</p>		
<p>Keep Business in the Family</p> <p>Pass ownership onto family, keeps legacy alive and provide income/job for heirs.</p>	<p>Can make for a smooth transition by grooming a family successor.</p> <p>May allow for you to keep a hand in the business in an advisory (or other) capacity.</p>	<p>Assumes heir willing, interested and skilled enough</p> <p>Can lead to family problems</p> <p>Can be slow to develop heir</p> <p>Can be difficult for owner to cut ties or not interfere</p>	<p>Difficult to just walk away</p> <p>Could just walk away</p>		

<p>Sell Business to Managers/Employees</p> <p>Current employees and/or managers may be interested in buying your business.</p>	<p>Easy transition for business continuity</p> <p>Long-term buyout can increase loyalty and motivate</p> <p>May allow for you to keep a share of the business and stay on in an advisory (or other) capacity.</p>	<p>Assumes employee willing, interested and skilled enough</p> <p>Employees can raise funds</p> <p>Can be slow to develop & hand over</p>	<p>Employee Share Ownership Plan (ESOP)</p> <p>Straight purchase/walk away</p>		
<p>Sell the Business in the Open Market</p> <p>Straight sale to open market. To maximise business value it must be in the best position to sell</p>	<p>A profitable business will be attractive and sell quickly</p>	<p>Low margin business difficult to sell</p> <p>Only 20% of listed sell</p> <p>Can be long and painful process</p> <p>Selling price may be much lower than expected</p>	<p>Will be hand-over period</p> <p>May involve earn-out or deferred payments</p>		
<p>Sell to Competitor</p>					

<p>Position your business to sell to a competitor. Normally must valuable option - they have the most to gain if don't right</p> <p>If their only motivation is remove competition, they may close after purchase, thus employees may lose jobs</p>	<p>Competing business may be highly motivated to buy</p> <p>Can be quick and most valuable</p>	<p>Vulnerable to Competitor finding all you secrets if only pretend interest</p> <p>Selling price may be much lower than expected</p> <p>Hand-over should smoother as they know business model/industry</p>	<p>May involve earn-out or deferred payments</p>		
<p>Managed Business - Retain Ownership</p> <p>Option to put daily control to manager/management team and owner continues to have controlling share and continuation of income</p> <p>This can be within a full sale plan, i.e. put management team in place whilst full potential/buy found</p>	<p>No disruption for customers and little for employees</p> <p>Might be best way to maximise value</p>	<p>Assume skills, willing managers within business or can employ for right cost</p> <p>Might take some time</p> <p>Can be difficult for owner to cut ties or not interfere</p>	<p>Difficult to just walk away</p>		