



# EXTERNAL SALE



RAINIER  
G R O U P

A Northwest Firm Advising Businesses Nationally for  
Over 30 Years

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# External Sale

Selling your business externally to a 3rd party buyer/investor, more often than not, yields the highest value. It is a common strategy among business owners who are looking to diversify their personal financial risk and those who recognize that “going it alone” is no longer a long-term aspiration. The process of taking your business to market can be stressful and requires careful preparation. Confidentiality is key, especially when competitors are potential buyers. Major factors impacting the value you receive include breadth of potential buyers (the auction pool), general economic landscape, and industry specific economic outlook. The main factors when exploring an external sale are:

## Key Decisions:

- Is my business ready to go to market?
- What is my business worth?
- Should I sell a minority or majority interest in my business?
- Is it better to sell to a strategic or financial buyer?
- How much will I need to realize from the sale to ensure my financial security?
- What are the taxes associated with selling my business?
- How long does the process take?
- How can I ensure the process remains confidential?
- How can I protect my employees?
- Am I required to stay on after the sale?
- Will I need to hire a broker/investment bank to market the business?
- What fees are associated selling the business?
- Would I need to market the business to multiple buyers?

Weighing the above considerations along with external economic factors requires time and planning. But done correctly, you can maximize the value you receive on the open market.

We specialize in helping owners and founders of privately held companies build and implement the best strategy for their situation. Since our founding, we have transitioned close to 1,000 private companies nationwide.