Preparing to sell your business

General information, not advice. Every business is different, so please talk to your own accountant and attorney.

Most owners only sell a business once. The ones who feel best about it usually started preparing a year or two ahead. None of this is complicated, and all of it makes your business stronger, whether you sell next year, in five years, or pass it to family.

1. Decide what matters most to you

Before thinking about price, write down what you want. Do you want your team kept together? The name kept? To stay on part time? To be finished by a certain date? These wishes shape which buyer is right for you and how a deal is structured. Share the list with your spouse or family, too.

2. Get your numbers clean

- Have three years of accounts ready: profit and loss statements, balance sheets and tax returns.
- Separate personal and family expenses from the business. Boats, trucks and phones used personally should be clearly noted.
- Know your busy and slow seasons. Marine work is seasonal and hurricane-affected, and buyers will want to understand your pattern.
- Track revenue by type: service labor, parts, storage, haul-outs, contracts. Recurring work such as storage, maintenance contracts and repeat fleet customers is especially valuable.

3. Make the business less dependent on you

This is the single most useful thing you can do. If every customer calls your cell phone and every quote is in your head, the business is hard to hand over. Start writing down how jobs are priced and scheduled. Introduce your lead technician or office manager to key customers. Let others make some decisions while you're still there to guide them.

4. Get your paperwork in order

- **Leases and property.** Check how long your lease or submerged land lease runs and whether it can be transferred. If you own the property, decide whether you'd sell it or lease it to the new owner.
- **Permits and licenses.** Environmental permits, stormwater and fuel-handling records, and any dealer or manufacturer authorizations.
- **Insurance.** Current policies and claims history, including marine operators' and garage keepers' liability where relevant.
- **Equipment.** A simple list of travel lifts, forklifts, trailers, vehicles and major tools, with rough age and condition and any maintenance or inspection records.
- **Customers and suppliers.** Key contracts, dealer agreements and any customer or fleet agreements.
- **Your team.** Roles, pay, length of service and any certifications, such as ABYC or manufacturer training.

5. Think about your people early

Your team is often the most valuable part of the business. Consider who the key people are and what would help them stay through a change. You don't need to tell anyone yet; confidentiality matters. But knowing who is essential helps you choose a buyer who will look after them.

6. Understand how price is usually worked out

Buyers of smaller businesses often start from what the business earns for an owner in a typical year, adjusted for one-off and personal costs, and then consider how steady and transferable those earnings are. Equipment, property, customer concentration and how much depends on you all matter. Ask any buyer to explain their thinking in plain English. If they can't, that tells you something.

7. Know your options

A sale doesn't have to be all at once. Common options include selling everything with a short handover, selling and staying on for a period, being paid part now and part later, or selling part of the business now and the rest later. Each has different tax and risk effects, so get advice from your accountant.

8. Keep it private until you're ready

Talk to buyers under a confidentiality agreement before sharing numbers. Agree with any buyer how and when your team, customers and suppliers will be told, and who tells them.

9. Line up your own accountant and attorney

A good accountant and a business attorney are worth their fees. Choose people who have handled sales of businesses your size, and make sure they are working for you.

A simple checklist

- Written list of what matters to you and your family
- Three years of clean accounts and tax returns
- Personal expenses separated out
- Key processes written down; key customers introduced to your team
- Leases, permits, insurance and equipment list gathered
- An accountant and attorney you trust

If you'd like to talk any of this through, with no obligation, I'm glad to help. Call me on (954) 892-1147 or email business@damianadcock.com. Every conversation is private. Nothing is shared without your say-so.