

Business Sales in 2018

2018 was another successful year, with Tabak SI achieving a similar level of sales to our previous two years. Virtually all the businesses that we took to market were either sold, or are trading well and remain available for sale. Moreover nearly all of the businesses sold in 2018 were referred to Tabak by past clients, their contacts or more commonly their accountancy and legal advisors, and we certainly appreciate the trust that these networks show in our team.

Trading Banks

Tabak enjoys positive, professional relationships with all the trading banks and a variety of finance & mortgage brokers. The banks advise they are very much “open for business” but with the usual caveats in place. Valuation multiples and funding requirements need to be sensible; there must be a good fit between the buyer and the opportunity; and an appropriate mechanism must be in place for the satisfactory transfer of business goodwill to the new owner.

What to Expect from a Business Broker

The Tabak SI team of brokers includes three qualified accountants and an MBA graduate, and most importantly we are all either current or past business owners ourselves. As such we have a strong view on what a vendor should expect from a business broker. This includes:

- Responsiveness to initial and all subsequent vendor or purchaser enquiry
- A high level of curiosity about the business, sustainability of income, and all possible areas of both risk and opportunity
- A written appraisal of value based on reliable financial information and relevant market sales data
- A value multiple/cap rate that fairly reflects the industry, the region where the business is located and the specifics of the opportunity
- Diligent marketing and communication/liaison with buyers, that leaves the vendor free to focus on their business
- An approach to the transaction that not only reflects their statutory obligation to the vendor, but also acknowledges valid concerns and questions/issues that may be raised by the prospective purchaser
- Active & meaningful dialogue with both parties and their professional advisors throughout the transaction and during due diligence
- A proactive and innovative approach to resolving any issues that may arise.

If this is the level of service and expertise that you would like your clients to receive when they come to sell their business, then Tabak would be delighted to hear from you.

All the very best for a healthy, productive and profitable 2019 and if you no longer wish to receive occasional emails from Tabak please reply to this email with “unsubscribe”.

The Tabak South Island Team (Damien, Russell, Sam, Kevin & Diane)

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