

7 Reasons to Use an Investment Banking Team to Sell Your Company

Are You the Best Person to Sell Your Business?

By Robert Murphy, Senior Managing Director

Enhancing deal value and increasing certainty to close are what investment bankers do every day. As competition and technological advances continue to drive consolidation across many industries, it's likely you've been contacted by a variety of buyers, or their agents, interested in acquiring your company.

According to *The Wall Street Journal*, private equity firms have a record amount of cash on hand which is estimated to be \$1.5 trillion. They're in business to secure returns for their investors so all that cash needs to find a home.

As an entrepreneur, you've succeeded by seizing opportunities, and it could be tempting to pursue a specific buyer who appeals to you. However, even if you've sold a company before, it's rare that a business owner can maximize value and achieve superior deal terms on their own.

The Right Investment Banking Team Empowers You

The team you should rely on is one that has gained wisdom by completing hundreds of deals – and seeing some failed deals too. For the most important sale you'll ever close, it's critical to engage the right investment banker who can empower you all along the deal process, from start to finish.

An experienced investment banking team can enhance the value of your business and increase certainty to close by providing:

- **Multiple deal options** – The only way to know if you've received the best possible offers for your business is through a competitive auction among buyers – including those you're aware of and those you never knew existed. An astute investment banking team has the capabilities, commitment and processes to present you with a range of options.
- **Negotiating prowess** – While you may be able to skillfully negotiate various transactions related to running your company, the team working on your deal is better positioned to garner the highest value and best terms for your business.
- **A buffer between you and buyers** – Staying focused on keeping your business growing and profitable is crucial during the marketing and sale process. Plus, selling a business can stir up a lot of emotion. Best to let professionals take the lead in negotiating value, deal terms and critical deal issues with buyers and other professionals throughout the transaction.
- **Early warning system** – A mature investment banking team can recognize when the other party is not sincere or when the certainty of closing a deal is low. You don't want to waste time on a buyer who is displaying low odds of completing a successful deal.
- **Guidance based on market trends and dynamics** – Understanding current market value and terms is key to setting realistic goals. An effective team can identify and convey hidden value to buyers so you can receive a premium to market benchmarks when possible.

- **Creativity and resourcefulness in resolving deal issues** – Anticipating business issues that are likely to arise in due diligence and preparing management to address them will reduce the risk of a broken deal. Since few businesses have no shortcomings, challenging issues that arise either before or during due diligence often require investment banking creativity to resolve.
- **Maximum deal control to your advantage** – The deal journey can be formidable. Investment bankers are skilled at controlling the sale process and driving to the closing date.

Team Up with Experts

High-performing investment bankers don't have just one or two techniques they rely on to achieve success. They set standards of excellence for themselves and are systematic about realizing those standards on every deal. By partnering with the right team, you'll be bringing integrity, expertise, options, deal control and unshakeable confidence to the sale of your most valuable asset.

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About PKF O'Connor Davies Capital, LLC

PKF O'Connor Davies Capital, LLC (DBA PKF Investment Banking) is the investment banking affiliate of PKF O'Connor Davies. Whether a business owner is ready to sell the company or seeking growth through acquisition, our investment banking team is committed and credentialed to help owners achieve their objectives. Our investment bankers provide guidance through every step of the process and bring the expertise to enhance certainty to close – while always staying focused on maximizing the value derived from the transaction.

Securities-related transactions are processed through an unaffiliated broker dealer, Burch & Company, Inc.

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