

The best time to sell your business

Want to get top dollar for your business? Recognize these 5 signs that conditions are ripe to sell your business.

Canadian small business stats

\$1.2 trillion

Boomer business assets with no succession plan
[Source: [The Advisor](#)]

1,087,803

Small businesses in Canada
[Source: [Industry Canada](#)]

2/5

Canadian start-ups looking to sell in 1-3 years
[Source: [Pricewaterhouse Coopers](#)]

What's your exit plan?

When you're ready to move on, you might transfer to a family member, sell to a partner, employee or third party – or, like 23% of Canadian SMBs, close your doors.

5 signs it's time to sell your small business

Ready for the scenic route

Other employees may quit if they feel the buying opportunity wasn't presented to them. Be prepared for losses.

Running out of gas

Roughly half of [Canadian small businesses](#) won't survive their first five years. If you're working too hard, are feeling stressed or aren't making a profit, it may be time for a new direction.

Lured by a lucrative offer

It can be enticing – and often the best possible scenario – to receive an unexpected offer. If a buyer recognizes your company's potential and has the funds available, you stand to earn a tidy profit.

Stuck in the slow lane

Don't have the time or money to stay ahead of your competitors? Selling may be the best option before your company loses value.



All signs point to profit

If the market is hot and interest rates are low, there may not be a better time to sell your business on your own terms for the highest price.

"If you really look closely, most overnight successes took a long time."

-- Steve Jobs, Co-Founder and CEO of Apple Inc.

Don't miss your exit

Plan for the ride

Get a business valuation

A must to get a realistic idea of how much you can expect to net from a sale, especially if you plan to exit in the next five years.

Get your records in order

A buyer will want to see financial documentation going back three years. Also have any legal paperwork on hand including leases, vendor contracts, incorporation papers and permits.

Get representation

When you're selling a house, you'll probably hire a realtor. Find an experienced business broker who can help sell your business when the time is right.

Bring a map

Consult with a succession planning expert now. When the time comes, you'll have made the tough decisions, freeing you up to take steps for a profitable sale.

Pack the right supplies

You'll need the resources to make the sale and create a smooth transition – tidy financial records, trained managers and technology upgrades, to name a few.



Fuel up

Cutting ties to the company you worked so hard to build can feel like a major loss. Decide whether maintaining a part time role would sustain you emotionally and financially in the future.



Plan for your exit now

Left too late, succession planning leaves your businesses open to risk: selling for less than its worth, downsizing or elimination.

Ready to hit the road?

It's not uncommon for a business sale to take several years. All the more reason to start working on your exit plan now – and to seek the advice of a team of professionals sooner rather than later.

For financial assistance as you plan the sale of your business, get in touch with a [Scotiabank Small Business Advisor](#).