

# YOUR BUSINESS SALES

## SHORTAGE OF GOOD BUSINESSES



**Good Time To Sell**

**With the fallout from the GFC finally beginning to settle, buyers are returning to the market, but leaving empty handed.**

As it stands today, there are still not enough good businesses to meet the ever increasing demand from buyers. "Why is this the case?"

The current trends suggest that sellers have been reluctant to put their businesses on the market because valuations have dropped.

Valuations, based primarily on trading profits, were strongly affected by the global recession in the 2008-09 financial year. Now however, with business confidence returning and financial indicators pointing to a good recovery in the Australian economy, the majority of business profit and loss statements are still reflecting the image of a far bleaker period; an image no longer

indicative of their current value. Valuations under these circumstances, though certainly not incorrect, are more often than not, less than what the seller is looking for. This directly results in potential sellers being forced to hold on to their business as they wait for profits to re-build.

As in a classic supply and demand scenario, well-performing businesses need not take that path. The ever increasing numbers in the buyers market opens the door for businesses that have performed solidly during the economic downturn.

**Good businesses are selling and they are selling extremely well.**

The primary hurdle within the business sales sector, until now, has been restoring buyer confidence. With the proper preparation a good business will sell high, and sell fast.

The past 12 months have been exceptionally good for clients of Xclusive with the sale of several businesses occurring within a matter of weeks from being placed on the market. Good brokers everywhere will tell you similar stories, but the one common theme sung over and over again is that these businesses

were priced correctly and adequately prepared for sale. The sellers knew what they were selling and the buyers knew what they were buying.

When it comes down to it, if you have a strongly performing business, with the right preparation, you will find a buyer, and you will find them fast. The shortage of good businesses on the market assures it.



**Buyers are returning from hiding.**

# Business Of The Month

## Promotional Product/ Direct Sales & Trade Suppliers

An importer and distributor of specialized printed and unprinted promotional materials, this outstanding business distributes to several industries including the printing trade and manufacturers of specialised printed promotional products.

- The business has hardly been affected by the GFC.
- Turnover of over \$2.5 Million.
- Minimal owner involvement.
- All systems in place.
- Average Profit of \$600k per annum

Steps have been put in place to reduce the reliance on the current owner. Approximately 25 hours per week is spent working in the business on the day-to-day management. From here it wouldn't be hard to put the business completely under management. This also means that the handover from one owner to another won't disrupt the current work flow resulting in minimum interruptions and maximum customer retention.



**ASKING PRICE**

**\$2,100,000**

**CALL TODAY!**

### Adjusted Profits

**2007: \$613,287**

**2008: \$637,182**

**2009: \$598,700**

**Current Year - Dec 21st: \$346,557**

## Want To Sell Your Business *FAST* For the Best Possible Price?

For Us, Selling a business is about helping YOU, the Business Owner achieve the best results.

Your Business is your hardest earned asset.

Together, as a team, we will devise the best strategy for achieving the sale with outstanding results.

We believe that our Dedicated, Unique & Focused approach makes us the best in our field, but we'll let you be the judge.

Call Today & See why we are Different.

**ACHIEVE THE BEST RESULTS!**

**1800 VALUE1**  
(1800 825831)

*Sales Advice*

*Business Sales*

*Business Valuations*

*Business Acquisitions*

*Personally Tailored Approach*

*Pre-Sale Business Preparation*

 **Xclusive** Business Brokers

**For All Business Purchase, Sales Enquiries or to Check out our Listings, Contact Us or Visit our Website.**

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