

Top 9 Reasons To Value Your Business

1. Owner Wants To Retire.

How big is your retirement nest egg? It is impossible to say unless you know what your business is worth.

2. Owner Wants To Sell.

A valuation protects you from low-ball offers as well as unrealistic expectations. It also makes your business look more credible to buyers.

3. Owner Has Kids.

If one gets the business and the other(s) do not, knowing your business' value lets you treat them all equally.

4. Owner Has Partners.

To insure business continuity if one leaves or dies, the partners should have a buy-sell agreement pegged to the business' value and funded with life insurance.

5. Owner Wants To Expand.

Lenders and investors like third-party appraisals.

6. Owner Doing Estate Planning.

Do you have an estate tax issue or not? It is Impossible to know without a business appraisal.

7. Owner Has Employees.

Smart employers use stock options pegged to the business' value as "golden handcuffs" to retain key employees.

8. Owner Getting Divorced.

Having the business valued by a nationally respected appraisal firm makes negotiations much easier.

9. Owner Likes Bragging.

It is fun to know your business grew 25% more valuable last year. Having it valued regularly makes it possible!