



Time FOR A Change?

If you're a small business owner you'll understand exactly where investor Mark Cuban is coming from in saying a successful business "is not in the dreaming, it's in the doing".

The business year is full of doing and doing, and doing some more; often a summer holiday is the only breather you get to sit back, pause and reflect on the bigger picture. Are you still passionate about your business? What do you want to be doing in two to five years? Is it time for a change?

Tabak Business Sales understands that being in business has to be about more than just the bottom line and considering where the market is: it's about passion and engagement; about being excited to get up in the morning to go to work. If your appetite for your enterprise has dulled a little recently, Damien Fahey and Sam Cherry, brokers at Tabak, are the people to see about the sale of your cherished business to a new and enthusiastic owner.

Damien says their process is comprehensive. "We assess the value of your business, write up a clear and very inclusive Information Memorandum for potential buyers, take buyers into due diligence and make the sale, occasionally in just a matter of weeks - but more often it can take 2-3 months."

Tabak have statistics going back 15 years comparing assessed valuation with actual sale price, and are extremely proud that on average the sale price fell is within 5 percent of the valued price. "We always justify our valuations to the business owner by way of market and other data, and we never waste time bringing

unreasonably low offers to our owners," Sam says.

The Information Memorandum tells the fullest story possible. It sets out the history of the business, then examines the future, the business plan going forward and, "more importantly, the future opportunities for the business," Sam says.

"We aim to produce the best Information Memorandum you've ever seen and we can answer potential buyers' questions, often without going back to the owner. Their role is to keep the business running smoothly, not to be concerned about the sale."

Discretion and confidentiality are key: potential buyers sign a non-disclosure agreement (NDA) for each business, rather than relying on a blanket NDA over a period of years. "Eighty percent of the businesses we sell are through our database and we regard that as our intellectual property," Sam says.

"We can sell a business before the whole world knows it is on the market, so privacy is protected for vendor and purchaser."

Sam and Damien will also meet off site and after hours to protect confidentiality. "It is part of what we do and who we are. We love helping people so we don't mind it being a 24-hour service," Damien says. "Our referrals come through satisfaction, our reputation is our hallmark, and we will only ever represent quality clients."



Brokers behind the business

Boutique business brokers Tabak Business Sales understands that the decision to put your cherished business on the market is about much more than the numbers on the bottom line.

Partner Damien Fahey says, "Tabak does it differently to other brokerages. We take the time to get to know our clients really well. We can settle them down about their decision if needed, we thoroughly explore the drivers of the desire to sell, and examine all the options."

Damien says they do come across owners who ultimately just need a really good break, "Once we've talked they realise they need a decent holiday, and then they come back to their business with fresh eyes and enthusiasm."

There is a real sense of social good in Tabak's approach, which is focused on solving problems and creating

opportunities. "It's a buzz when you see the vendor able to make the move to their next passion or life phase, and the new owner of the business full of excitement and energy about the opportunities ahead," Damien says.

Whilst Tabak has five offices nationwide, the South Island team has three brokers in Christchurch and one in Queenstown, and all have the experience that comes from running businesses themselves, along with qualifications in accounting, sales and business analytics. "There are a fair few grey hairs between us, but clients appreciate knowing they are in experienced hands," Damien says.

Repeat clients are the norm. "We take

a lot of time over every business and understand that generally 60 to 95 percent of the value is in the good will. We defend that business good will, and ensure it is protected and passed on," Damien says.

Integrity is key: Tabak does all its own due diligence and won't broker a business if they cannot genuinely see the value in it.

Damien says the three elements essential for excellent business brokerage are relationships, analysis of the business, plus wordsmithing. "You need to create a compelling document, setting out the information memorandum or company profile saying what it has done, where it is going, and identifying the new opportunities."

An expert in the local market, Tabak's niche is sales of businesses valued between \$300,000 to \$5 million, or generating more than \$100,000 in owner profit, and excluding accommodation such as backpackers or motels; plus it is very selective about hospitality. Rather than commercial buildings, it's about selling plant, stock and intangibles, or goodwill.

Nationwide the company shares a database of more than 4,000 potential buyers. "Advertising is often not necessary and protecting confidentiality is a huge part of what we offer," Damien says. "We love what we do, our business really is more than a job; it's a calling – and our clients will testify to that."