



Strategies for Success!

Baby Boomers Want Out!

The Baby Boomer sell off is just getting underway!

Are you ready?



As Baby Boomers move into retirement the opportunities will increase. Are you ready to sell or buy?

If you are a seller, then the competition for a great deal will be immense.

If you are looking to buy, you can afford to wait for the right deal.

The first baby boomers (from 1946) are now into their late seventies and the last of them (1964), are only just getting into their 60's. So, they will be the tail end of the buying opportunity in another 10 +years.

Right now, however we are in the near the "flat" peak of the Baby Boomer selling wave. It will last for 10 years at least. And so, you can as a buyer wait till the right deal comes along. But as a seller, the competition is only going to increase and then be intense for a long time. Are you ready for this?

And many Baby Boomers are really so tied to their "Baby" they will hang onto it for longer than is good for them, expecting a good life to continue and then a better deal, to fund a great retirement. Of course, health and family issues may prevent them from, achieving and a sudden sale being needed.

Sure, every business that remains in business will sell at some point. It's just a case of how much!

For many Baby Boomers they hang out too long and then are forced to sell and not by choice.

These are often at a hefty discount as partnerships break down, health or even after a death. Some forward planning earlier on could have resulted in an orderly sale at a much better value.



Therefore, its best to be planning a detailed sale process well in advance and 5 years out is not too soon.

So how many small, listed businesses sell. And that is businesses listed though broker - agents, accountants and lawyers, websites or DIY direct. The figures are murky at best, but the consensus seems to be about 20 – 25% are sold. Means you have a 1 in 5 chance of selling your beloved small business. This is going to be harder over the next decade as more baby boomers want out. Should you start now and be early to the party?

And of course, who are the buyers going be. Many will be the next, Generation X from 1965 to 1980. Some of these will be “over” working in a corporate lifestyle or just an small business employee and want to do better. They will have some finance but not a lot. A fortunate few may have “parents bank” to help. They will be savvy buyers seeking great deals and seeing how the latest technology can save overheads and increase profits. (If you have already implemented these factors or can demonstrate the benefit of doing so, you will have an edge over your competition).



So as a baby boomer, yes you have had a great run as a small business owner. That run will be much harder to maintain as you move into a sale mentality. Getting the value, you think your business is worth, will be tough. You can say it's a buyer market. So, think now, plan soon and get your business ready to sell. When someone comes knocking at your door with a one-off deal, be ready. They won't be hanging around.

If this raises some thoughts or issues with you and you want to discuss your unique situation, then contact us. We listen and can offer personal guidance for your situation.