

The Allied Story



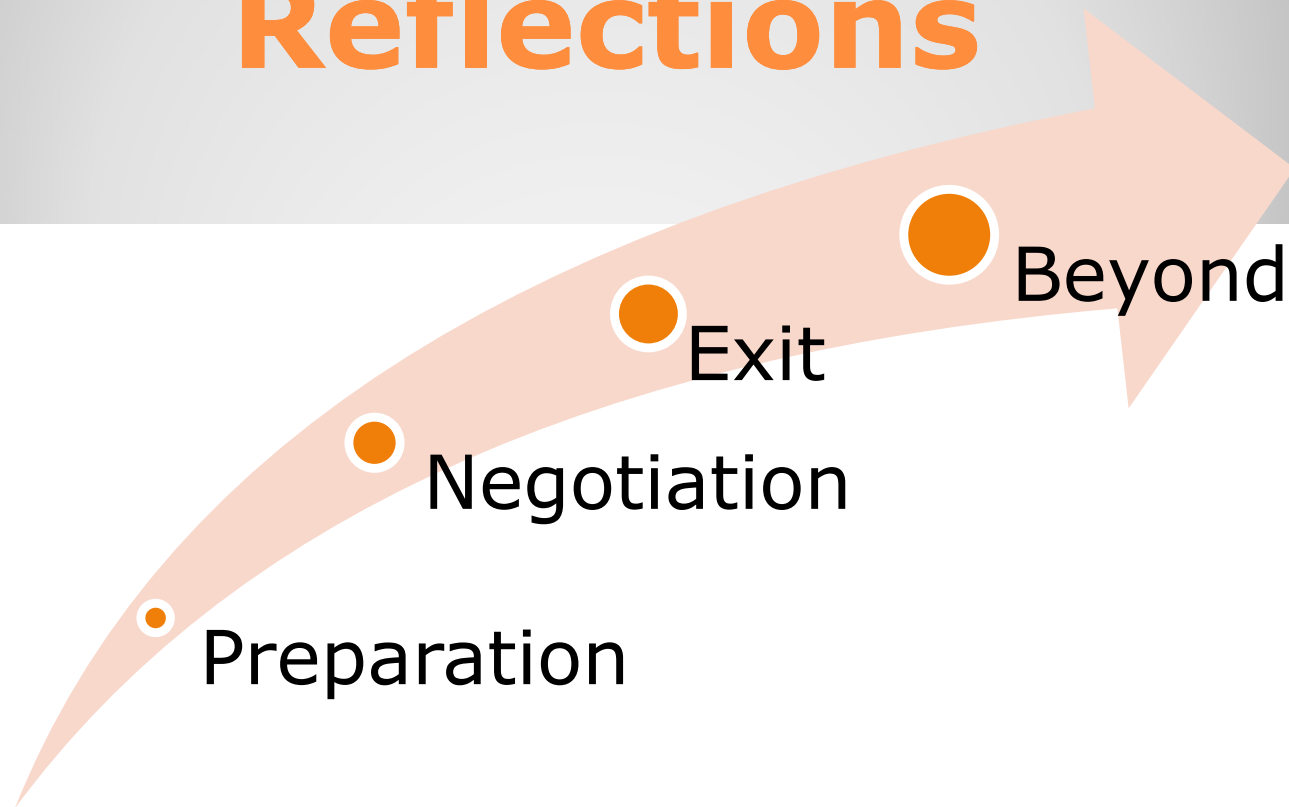
Trevor Thompson, 2012

A story from two views

- From \$2m to \$85m; then out
- Reflections



Reflections



Preparation

1. Start at the start

- Consider how to maximise the value of your business when you first create it, or as soon thereafter as you can.

2. Look the Part

- Present your business professionally
 - Staff
 - Office
 - Yourself

Preparation

3. Don't offer for sale until you are ready to sell
 - Get your structure correct and all information ready prior to trying to sell
 - Value your business - Get outside advice on the value of your business
4. Use the right size advisors for the size of the job
 - Maybe use someone new

Negotiation

5. Always have a plan B
 - C & D may also be useful

6. Be congruent and a straight shooter
 - Trust is very important

Negotiation

7. Focus on the main deal and don't sweat the small stuff
 - Keep perspective

8. Understand the key issues for the purchaser and prove them
 - Sometimes a very difficult process

Negotiation

9. Minimise your warranties

- Read and memorize your warranties

10. Have a deadline

- Deals sometimes take forever as everyone covers their Axxx
- Negotiations often become a pxxxing competition between advisors

Negotiation

11. Keep key staff in the loop
 - They will get frightened. Some will leave, some will stay

Exit

12. Once sold be prepared to let go
 - You are not as important as you think you are
13. Watch the side issues (your back)
 - Financiers
 - Competitors

Exit

14. Exit gracefully

- Don't be a greedy pain in the axxx

And Beyond

15. The deal is not finished yet!

- The deal, or the relationship with the purchaser will often go on for a couple of years.

16. What's next?

- Do they need/want you and for how long?

And Beyond

17. Never burn a bridge

- Your conduct and success of the deal may be one of your greatest references you will ever need, use and get

The key learnings

Preparation

Rule 1 – Start at the start

Rule 2 – Look the part

Rule 3 – Don't offer for sale until you are ready to sell; Value your business

Rule 4 – Use the right size advisors for the size of the job

Negotiation

Rule 5 – Always have a plan B

Rule 6 – Be congruent and a straight shooter

Rule 7 – Focus on the main deal and don't sweat the small stuff

Rule 8 – Understand the key issues for the purchaser and prove them

Rule 9 – Minimise your warranties

Rule 10 – Have a deadline

Rule 11 – Keep key staff in the loop

The key learnings

Exit

Rule 12 – Once sold be prepared to let go

Rule 13 - Watch the side issues (your back)

Rule 14 – Exit gracefully

And Beyond

Rule 15 – The deal is not finished yet

Rule 16 – Your conduct and success of the deal may be one of your greatest references you will ever need, use and get

Rule 17 – What's next? Do they need/want you and for how long?

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