Exit

- by Vestadil
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Overall plan

If you intend to sell your company (exit), start planning well in advance. The overall planning should include strategic and tactical activities to create value, make hidden values transparent, and — last but not least — be able to adress potentially problems that may reduce the value of the company.

These overall preparation activities take time and must be started a 2-3 years before the intended exit date. Examples of activities are:

- Streamlining of the business.
- Sale of real estate.
- Addition or replacement of key employees or board.
- Closure of ongoing legal disputes where the risks are difficult to assess.
- Incorporation of product lines.
- … etc.

Detailed annual plan

The exit process, with a detailed plan, project should start about a year before the intended sale. The plan includes activities such as:

- Selection of advisors (M&A, legal, commercial),
- VDD (seller's due diligence),

- Selecting, contacting and teasing potential buyers,
- Company description, the Investment Memorandum (IM)
- Structured bidding rounds (non-binding, binding bids).
- Employment agreements, incentive programs, pensions,
- Management presentations to buyers
- Negotiations, and an
- Agreement (the SPA).