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Selling your restaurant - by Dennis Serpone

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IT'S BEEN A LONG ROAD SINCE YOU BOUGHT YOUR RESTAURANT.

Now it's time to retire...take care of your medical issues, spend time with family, and enjoy some well deserved vacations.

Now that you've decided to sell, what do you need to do to get the best price for your business?

FIVE components to getting the best price and the steps to selling:

First, and foremost, people are buying your 'sales', goodwill, and profit that's verifiable. The more verifiable the numbers, the higher the sales price. So keep good books and records. Be prepared that a buyer is going to want to be working with you for a couple of weeks to verify your sales...not necessarily your profits. Run daily specials and discounts to drive sales.

Second, 'clean up, fix up'. The big turnoffs are ripped seats and dirty, greasy rugs. Pickup the clutter and straighten-out the counters. Paint the walls, clean the glass, disinfect the bathrooms. Organize the storage in the basement. Make sure you have no rodent or crawling insect problems...a definite deal killer!

Third, the kitchen needs to be spotless. Degrease the hood system, scour the stainless steel and make sure all the equipment works. Nothing worse than trying to explain why you haven't fixed the compressor on the reach-in freezer. Get the kitchen organized and keep the food pantry and walk-in cooler and freezer clean and well organized.

Fourth, whether you like it or not, your landlord is your 'partner'. He can make the transition easy or kill your deal. Make sure he feels like he's your best friend. You have to find a buyer who is willing to pay your price, but equally guarantee the landlord that he will be able to pay

the rent and be a trouble free tenant for the length of the lease.

Finally, don't under-estimate the value of a broker that specializes in the sale of businesses like yours. The broker needs the skills and experience to properly value your restaurant, to know its strengths and weakness, to know the competition, to understand the lease and its restrictions on transfer, and know how to drive the right buyers to your door. The buyer has to be a seasoned operator, have the funds to buy the business, but also have enough reserve capital to weather business slumps. An experienced restaurant broker is the only person who knows what the market value of your business is. New England Restaurant Brokers is the oldest and largest restaurant brokerage and consulting company in the country...made up of educated, trained and experienced professionals!

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