

# MASTERMIND DISCUSSION GUIDE

The **ART** of  
**SELLING**  
**YOUR**  
**BUSINESS**

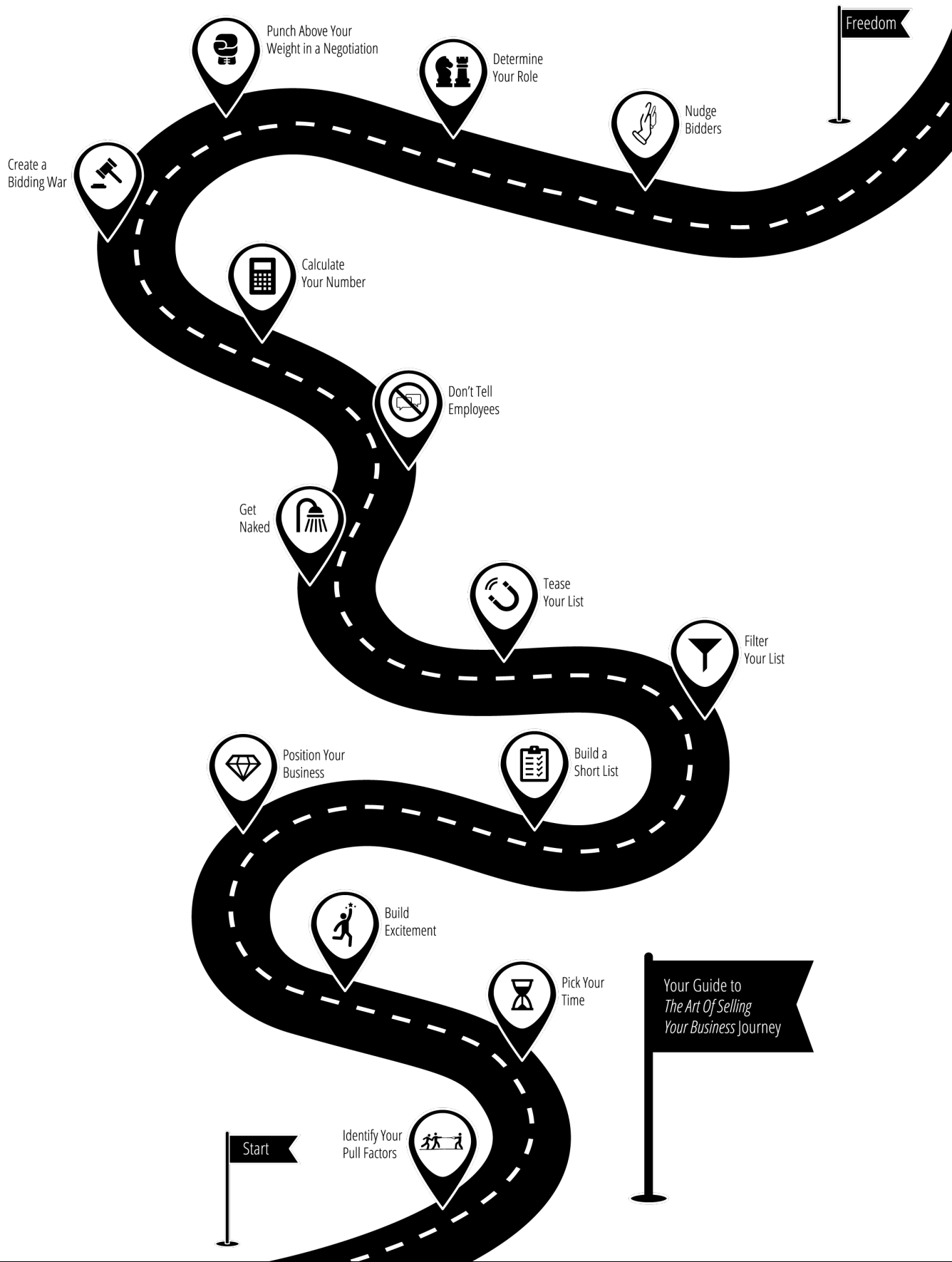
WINNING STRATEGIES & SECRET  
HACKS FOR EXITING ON TOP

JOHN WARRILLOW



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THIS MAP IS INTENDED AS A VISUAL REPRESENTATION OF THE JOURNEY YOU'LL TAKE TO SELL YOUR BUSINESS.

SECTION 1

**THINGS TO  
CONSIDER  
BEFORE YOU  
START**

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**T**hink of selling your business as a long, tough journey into the backcountry. You will encounter plenty of obstacles, but if you pack right, you'll be fine. Consider the following questions before you start your trek:



1. What are your pull factors?



2. What information do you need to collect before putting your business on the market?

SECTION 2

# BUILDING YOUR NEGOTIATING LEVERAGE

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Structuring a successful sale of your business is about maximizing your leverage, and nothing allows you to negotiate with more confidence than multiple bidders vying for your company. Consider the following questions to drum up interest from potential acquirers:



3. What questions could you pose to an acquirer to get them talking?



4. Thinking of your industry, what types of companies seem to be most attractive to acquirers now?



5. What do you see as the pros and cons of selling to the following buyer types:  
i) Individual investor  
ii) Private equity group  
iii) Strategic acquirer



6. What's the best way for you to answer the question: Why do you want to sell?



7. What impact do you anticipate selling your company to have on your employees?



8. What will you do to protect your employees when you sell your company?



9. What's your plan for communicating the news that your company is being acquired, to your employees?

SECTION 3

**PUNCHING  
ABOVE YOUR  
WEIGHT IN A  
NEGOTIATION**



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**S**elling your business can feel like a David-versus-Goliath battle. You may find yourself negotiating with a mercenary acquirer who makes a living from buying companies for less than they are worth. Consider the following questions for how to punch above your weight class in a negotiation:



10. What should you look for in an external advisor? For example intermediary or M&A lawyer.



11. What are the pros and cons of negotiating the sale of your business without an intermediary?



12. What are the deal terms that are most important to you?



13. What goal(s) are you comfortable tying your earn-out to?



14. What are the pros and cons of the various deal structures described in the book?



15. What is your best alternative to a negotiated agreement (i.e. BATNA)?



16. What sorts of P&L adjustments can you justify to increase your profitability in the eyes of an acquirer?



17. In what ways has your appetite for risk evolved as the value of your business has increased?

SECTION 4

# GENERAL QUESTIONS

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Consider the following general questions:

1. What is one selling tip that you think will be the most helpful for your company?
2. Of the entrepreneurs featured in the book, who did you relate the most to?
3. What question would you like to ask the author?
4. What were the subjects from the book that you would have liked to hear more on?
5. What advice did you disagree with in the book?

# ABOUT THE AUTHOR

John Warrillow is the founder of The Value Builder System™, a simple software for improving the value of a company, offered via a global community of advisors who have earned their Certified Value Builder™ qualification.

His best-selling book, *Built to Sell: Creating a Business That Can Thrive Without You* was recognized by both *Fortune* and *Inc.* as one of the best business books of 2011 and has been translated into 12 languages. John is the host of *Built to Sell* Radio, ranked by Forbes as one of the world's 10 best podcasts for business owners. In 2015 John wrote another best-selling book, *The Automatic Customer: Creating a Subscription Business in Any Industry*.

Prior to founding The Value Builder System™, he started and exited four companies, including one acquired by a public company. He lives with his family in Toronto.

You can follow John's work by signing up at [BuiltToSell.com](http://BuiltToSell.com).

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