

So You Want to Be Your Own Boss? Buy an Existing Business!

The boomer generation spans many years creating a unique situation in the business world. Aging boomers are looking toward retirement, while many younger boomers find they're ready to be their own boss. For those younger boomers, and others looking to be a business owner, buying an existing business is a great option.

But be aware that buying a business is a timely process. Some buyers never find the right opportunity, while others spend too much time exploring too many options. Consider a step-by-step approach to get you where you want to be - owning your own business.

Ask yourself some important questions

Why do I want to be an owner? What types of activities do I like? What lifestyle is important for me? You'll also want to be sure to include your family as part of the assessment.

Line up a team of professional advisors

Alert your attorney, accountant and financial advisors that you are looking for a business.

Consider your financial situation

Be sure to carefully consider how much money you need and how much you want to earn. Your expectations need to be realistic and something that can be achieved by the type of business you are searching for.

Develop a personal financial statement

The personal financial statement should show your assets and liabilities and possibly include a supporting statement from your banker or accountant. Be prepared to share this document with the business intermediary who is working with the seller. If you are planning to work with other investors, identify them and create a group financial statement.

Create a profile

Sellers want to be sure their business will continue to be successful. They want to find a buyer who has experience and will take care of the company's employees. Really, you are selling yourself to the current business owner(s) and the professional team that represents the seller.

Establish your criteria for acquisition

It's important to define the parameters of your search. Include geographic requirements and criteria on the transaction size. Having set criteria will help you demonstrate your commitment to finding the right business for you.

If you are interested in buying an existing business, you want the business intermediary to be selling you to the seller. It's important that you demonstrate that you're a qualified, motivated buyer. Being prepared and serious about your search is an important initial step.