

# **Successfully selling the company: Company sale and succession planning in Switzerland.**

The decision for entrepreneurs to sell their own company is a significant one, made for a variety of reasons. It is a decision that often involves a lot of thought and the careful development of strategies, especially in the context of SMEs in Switzerland. In this extended article, we comprehensively explain the aspects of selling a company, succession planning for SMEs, and buying a company.

## **Why should I sell my company? Reasons for selling**

Companies, large or small, are often the result of years of hard work and dedication. Therefore, the decision to sell a company is not to be taken lightly. The reasons can be many and varied: A desire to retire, the pursuit of new challenges, or even the prospect of lucrative sales proceeds. Regardless of the reason, the sale process is often complex and requires thorough preparation.

## **Advantages and disadvantages of selling a company**

Many advantages can be enjoyed when selling a company. Financial benefits, in particular, are enticing: a successful sale can generate a significant amount of money that can be invested or spent elsewhere. In addition, a sale can help establish or [grow the company name](#).

However, there are drawbacks to selling a business. It can be difficult to find a buyer who is willing to pay the asking price and successfully [continue the business](#). The [selling process itself can be time](#) consuming and stressful.

## **Prospective buyers: Who might buy my company?**

There are many potential buyers who might be interested in purchasing a company. These include private investors, other companies, or [potential buyers interested in growing their own business](#). The type of buyer you want to attract depends on the type of business you are selling.

For example, at 23.investments we consider ourselves a sustainable private investor focusing on [digital transformation opportunities](#).

## **How and where do I quickly find buyers for my company?**

There are numerous channels that can be used to reach potential buyers. Social media platforms, industry associations and local networks are just a few. Another effective method is placing advertisements in relevant trade publications and media.

## **Succession planning for SMEs in Switzerland**

[Succession planning is an important aspect of selling a business](#), especially for SMEs in Switzerland. It ensures that the company is successfully continued after the sale and helps the seller to retire with peace of mind. A successful [succession plan](#) offers many benefits, including a smooth

handover of the business from one owner to the next and ensuring the continued existence of the company and its employees.

Handing over the business after it has been sold is usually done in stages so that the new owner has time to become familiar with the business, employees and customers. It is important to have a clear timeline for the handover and to ensure that all necessary legal steps are followed.

## **What else should be considered in a succession when the company is sold?**

When a company is sold, there are still a few things to consider. Especially in the case of a succession in the form of a GmbH or AG, there are additional challenges. Here, it is not only [about](#) the legal and tax aspects, but also about the internal organization and employee management. As the owner of a company, you should not be discouraged by this, but rather see it as an opportunity. With careful planning and implementation of the succession, you can successfully continue your company and also master future challenges. For example, the transfer of business shares and the involvement of all relevant persons must be taken into account. It may also make sense to strategically position the [company and adapt it to changing market conditions](#). It is important that you actively deal with this and, if necessary, seek professional support. After all, a successful succession requires a lot of time, energy and, above all, a positive attitude. See the opportunities and approach the changes with confidence.

# Company valuation: How much is my company worth or how do I arrive at the purchase price?

An accurate valuation of the business is critical to the sales process. There are several methods for valuing the value of a business, including the [multiples method and the discounted cash flow](#) method. It is important to determine the values of the [company's various assets](#) and ensure that all debts and liabilities are adjusted before the valuation is made.

The sale price depends on many factors, including the financial condition of the company, the potential demand, and industry dynamics. It is important to ask for a [fair and marketable](#) price so that the company can be successfully sold.

## What are the valuation options when selling or succeeding a business?

As an entrepreneur, it is important to be aware of the various [valuation options when selling a business](#). After all, you want to get the best possible price for your business, so you know that valuation is a critical factor in doing so. There are several methods to determine the value of your business, including the capitalized earnings method, the [net asset value](#) method, and the market comparison method. Each method has its advantages and disadvantages, depending on the type and size of your business. Therefore, it is advisable to use a combination of several methods to obtain a realistic valuation. Be brave and don't be fooled by con artists who try to convince you of an inflated valuation. When you have a realistic valuation, you can price your business on a reasonable basis and focus on the sales process. [Learn more how we are different in this perspective](#). With the right valuation option, you will be able to attract potential buyers

and conduct eye-to-eye negotiations. Weigh your options carefully and make a decision that fits your business and gives you the best possible price. In summary, a thorough valuation is key to [successfully selling your business](#). Seek expert advice and familiarize yourself with valuation options to maximize your chances of a successful sale.

## **Preparing for the sale: what do I need to do?**

The preparation phase for the sale involves gathering all the necessary documents needed to value and sell the business. This includes [balance sheets](#) for the last few years, a list of all assets, a detailed list of employees, and a business plan. It is also important to clean up the company to make sure it is saleable and the process goes smoothly.

## **The sale process and transaction: how do I sell my company discreetly?**

The sale process involves several steps, from finding a buyer to the letter of intent (LOI) to negotiations to [due diligence](#) and signing the contract. A specialist from 23.investments with years of experience in business sales can help cover all aspects of the sales process and successfully sell the company.

The most important documents needed for the sale are the purchase agreement and a comprehensive [due diligence](#). Other important documents may include a company presentation, business plan and recent financial reports.

# Conclusion

Selling a business, especially a Swiss company, is a complex process that requires careful planning and preparation. From the decision to sell the company, to the search for a buyer, to the successful transfer of the company to the new owner, there are many steps to consider.

Although the process can be challenging, successfully selling a business can be a rewarding experience!