

Property Watch

Preparing your Fish & Chip business for sale

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Specialist Business Transfer Agents to the Fried Fish Industry



In this new regular feature we will be taking a closer look at the Fish & Chip business sale and property market. In each issue, local expert John Cairns, sales director of Graveleys Fish & Chip Transfer agents based in Leeds, will cast an eye over current market conditions and offer invaluable tips and advice on how to best operate in the market.

Just as a brief introduction; John has been involved in the Property Industry for over 30 years as a Practising Estate Agent in North Yorkshire. In the last 15 years he has concentrated on the sale of going concern businesses to include Fish & Chip Shops. He joined Graveley's in 2009 to set up their Business Transfer Agency as Sales Director.

Present Market Conditions

"Contrary to what we read in the papers and hear on the news, the sale of well run and managed Fish & Chip Shops is still creating a lot of interest; pricing and presentation is the key to a successful sale.

Many first time buyers are entering the industry, I foresee this increasing in the coming years with the emphases on franchising as an alternative way of purchasing.

The general public have embraced Traditional Values with Fish & Chips becoming ever popular takeaway dish as the new going out is staying in. The future market for the sale and purchasing of Fish & Chip Shops in my opinion will go from strength to strength."

Tips and advice: Preparing Your Fish & Chip Business for Sale

When selling your business there are several stages that need to be completed in order to achieve a successful outcome.

Typical steps include:

- Valuing your business
- Preparing your business for sale, including taking steps to increase its value
- Taking early tax advice to highlight issues which might affect

your deal later - vital if you want to minimise the tax burden

- Identifying potential buyers
- Marketing your business
- Meeting and negotiating with potential buyers
- Completing legal due diligence with the buyer
- Finalising the sale agreement and transferring ownership

In order to maximise the value of your business, it is worth spending some time prior to the sale getting your business into shape. This could include cutting costs, reducing debts and reducing excess stock to get your finances into good order. Potential buyers are also likely to require detailed financial information, including audited accounts and forecasts before they will consider making an offer.

You can help make the whole sales process smoother by preparing this information in advance.

There are several methods of valuing your business. Your chosen Agent will be able to advise you on an appropriate valuation method and help you get a realistic valuation. They will also be able to help you identify and market your business to potential buyers.

It is advisable to have your business/property valued by an experienced Business Transfer Agent who specialises in Fish & Chip Shops. Choosing your Agent to act in your sale is an extremely important decision as to whether they have the experience within the Fried Fish Industry. Selling fees are extremely important to take in consideration when calculating your costs. Be cautious of Agents who adopt upfront fee charges.

