

SOURCING

Sourcing is an intense and time-consuming process.

Preparing for your search:

1. These are a few important questions to ask yourself when getting started:
2. What are your goals & objectives, both financial & personal?
3. How much time, effort, money and resources will you invest in the process?
4. Do you have access to funds, for
 - The acquisition and
 - Income replacement for lost income during the process
5. Do you have a team to assist you or will you do it all yourself?
6. Do you have any preferences (location, size, turnover, industry, etc)?

Where to search:

There are a couple of ways to find businesses to acquire:

1. Business brokers (pros vs cons)
2. Direct searches
3. Lead lists (provided by DGI: Retiring directors report, Gazette)



Prospect/Lead lists

As part of your program inclusions we provide you access to the following prospect and lead lists:

- Retiring directors report – this report lists company directors that have reached their retirement age and therefore an opportunity for them to exit their business. Published bi-annually.
- Gazettes – these lists contain information on businesses that have default judgements, magistrate court judgements, windup hearing notices, local court summons and provides an opportunity to acquire these “distressed” businesses. Published weekly.

Search

Now that you have a pool of leads you can begin your search. As part of your program inclusions, you get 12 months access to AboutBiz – an online tool that allows you to search Government and Data Collection agencies databases.

You can search for individual businesses or upload ABN/ACN numbers to conduct bulk searches. The search results provide information such as full business names and associations, business locations, size, turnover ranges, employee size ranges, industry, directors names including date of birth & LinkedIn profiles, ABN and GST status, contact info and website details. Available 24/7.

Initial Filters/Identify

As you conduct numerous searches you might be tempted to look at every business. However you source your prospects, it's at this point where you'll quickly need to filter and limit your search into smaller, more manageable sets of businesses.

This initial filtering process should be based on your preferred criteria such as the business type, industry, size, location. Looking at every business is time-consuming and costly, and most businesses simply won't be right for you.

Compare

Now that you have a smaller and more manageable set of businesses, you can begin comparing them against one another and against your preferred criteria.

What to ignore:

Passion for a business is an elusive concept and may cause you to overlook problems with a business. You should be passionate about making money and building the lifestyle you desire. Hobbies and social causes rarely make good profitable businesses.

Refine

Finding the right business takes time and when you reach this stage you may have looked at, filtered and compared 100's if not 1,000's of prospective businesses. Our 1st and most important recommendation about the characteristics you want in a business is that you buy an enduringly profitable business.

Engage

The overall process is a numbers game because it's very difficult to learn much about a business without talking and/or communicating with them. The remaining filter is to determine the owner's commitment to sell and we highly recommend that you gauge their commitment before proceeding to the next stage.

Due Diligence

Once a prospective business survives your filters, it's now time to learn more about it, so that you can decide if it's worth making an offer for.

The goal of the primary due diligence is to get a go/no-go decision and this is achieved by asking plenty of questions and collecting as much information as possible. At this stage, you will use resources beyond those that you used to filter and will need to probe deeper for more information.