

# BusinessWeek

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## Putting Your Company on the Block

"When Kathy Knight decided to call it quits after nearly 30 years doing market research for large corporations, she had no idea how agonizing the process would be. As owner of BAIGlobal in Tarytown, N.Y., Knight, 57, couldn't just pack up her office and start collecting pension checks. She had to sell her business first. After six months of bad counsel from ill-informed advisors, she finally hired a mergers-and-acquisitions specialist. He engineered the sale of BIAGlobal last July to a large, publicly held market research firm, Market Facts, for \$11 million."

"But you don't just stand in front of your office or factory with a "for sale" sign to get a deal done. As Knight quickly learned, the first thing you need to do is to pick the right advisor. A good one, for example, can help you decide whether your company should remain independent, be merged or liquidated. That, in turn, will dictate to whom you sell—insiders, another company, investors, or the public."

"You may want to consider a campaign targeting thousands of potential buyers via direct mail. Wellesley (Mass.)-based New England Business Exchange, the M&A specialist that sold Knight's business, sends out up to 10,000 letters to investors and CFOS in related industries, among others, describing the company for sale in generic terms. A mailing typically gets 50 to 250 responses. After interested parties sign a confidentiality agreement and send a preliminary letter, marketing books get sent out. Ultimately, five or so prospects end up bidding against one another. "this auction process will get you a higher price than a quiet deal," says Stephen Madden, president of the New England Business Exchange."

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