

Veterinary Sales Checklist



9 KEY POINTS YOU NEED TO KNOW WHEN SELLING YOUR PRACTICE

1. *Confirm you are ready to sell your practice*

- Are you thinking about a career change?
- Are you enjoying the ownership and challenges of the practice?
- Have you grown the practice as much as you can?
- Have the market conditions changed in your area?
- Is the speed of technological change increasing beyond where you are comfortable?
- Has your role switched from seeing patients to running the business? Do you enjoy that?
- Are you thinking about your exit strategy more often now?

2. *Confirm what you want from the sale of your practice*

What elements are most important to you in the sale?

- Setting the price during the valuation phase and getting that in the process of the sale
- Cash settlement
- Staying in the business in some capacity
- Keeping your staff and the culture after the sale
- Something else:

3. Valuation of the Business

Select an expert to assist in the valuation of the clinic or hospital who is a subject matter expert. Every sale is unique and based on many variables such as:

- Location
- Financial and Profitability
- Equipment
- Services offered
- Staffing levels and quality
- Market share and competition

4. Real Estate

- If you own the real estate, you will need to have it commercially evaluated
- If you lease the real estate, you will need to ensure it is transferrable to the new owner as a business asset.

5. Decide how are you selling the business

- If you are selling the practice yourself, decide on your marketing and lead generation strategy. What assets will you need to promote? Assemble the right team for the marketing effort.
- If you are selling the practice using a broker, choose your broker carefully to ensure you and the broker are in alignment on the desired outcomes.

6. Confidentiality Protection

- You and the seller will be exchanging sensitive information. Ensure you keep the discussions quiet.

7. Prepare a data room for due diligence

Every sale is different. Key documents and answers to questions could include:

- Income breakdown by category (surgery, vaccinations etc.)
- Contracts
- Financials for 3-5 years (tax returns, cashflow, balance sheet etc.)
- Employee information
- Inventory and equipment lists
- Customer information
- Marketing and sales strategies

8. Your Staff

- Staff assets are important to the sale of the practice.
- Key employees need to be retained.
- Evaluate fully the timing to inform the staff about the sale of the practice.

9. Is the buyer ready to purchase your practice? And the right fit with your goals?

Reflect on the goals you outlined on page 1 when reviewing an offer and prospective buyer of your clinic:

- Is the buyer offering cash?
- Is the buyer experienced?
- Do they have a plan for integration?
- Is there a plan for you to remain in the business in some capacity?
- Will the buyer be keeping the staff?
- What is the buyers financial position?
- Is there an earn out for you?
- Can the deal close in 30 days? 60 days?
- Are you receiving the purchase price you desire?
- Are all key elements for you to walk away pleased with this deal in place?