



## A Neumann & Associates, LLC

Affiliated with Americas Largest Network of M & A Professionals

### Business Information Organizer

Note: Even though you may not be interested in selling your business at this time, questions relating to the sale of your business must be answered. This is necessary in order to determine "Fair Market Value". Please answer all questions as though you were preparing the business for sale. Questions not answered will be treated as not applicable (N/A) or zero (0) value for valuation purposes. Any questions that you have difficulty answering or determining the information requested, please ask your Broker for assistance.

#### THE FOLLOWING DOCUMENTS ARE NEEDED

- ☐ Historical Financial Statements and/or Tax returns for the past three fiscal years
- ☐ Interim Financials along with interim period annualized for current year
- ☐ Projections for Sales, Earnings before Tax, and Cash Flow
- ☐ A list of equipment, furniture & fixtures included in the sale, plus debt and lease payments
- ☐ A current lease for building and property

#### IF AVAILABLE, THE FOLLOWING INFORMATION SHOULD BE PROVIDED:

- ☐ Brochures, photographs, price lists, key contracts, purchase or buy/sell agreements
- ☐ Business valuations on prior years
- ☐ Appraisals, finance or lease agreements on equipment, furniture, fixtures and real estate
- ☐ Business plans, budgets or financial projections
- ☐ Local and regional economic information, and current industry forecast

Client submits the information which has been compiled from books, records and information from the business, is subject to all terms and conditions of the Client Request form 310 or Engagement Agreement. The user of this information is instructed by client to assume that unanswered questions as set forth herein are not applicable. I hereby certify that the information contained therein is accurate and true and complete to the best of my knowledge and I understand that broker has not and will not investigate or verify the information contained therein.

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Date

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Client Signature

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Title



## COMPANY INFORMATION

### 1. Business Essentials

Name of Business: \_\_\_\_\_ Tax ID \_\_\_\_\_

Bus. Address: \_\_\_\_\_ Bus Phone: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Website Address: \_\_\_\_\_

### 2. Owner Information

Client Name: \_\_\_\_\_ Title \_\_\_\_\_

Cell \_\_\_\_\_ Email: \_\_\_\_\_ Age: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Home Phone: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

### 3. Business Data

Company's Legal Entity: \_\_\_\_\_

Company's dba: \_\_\_\_\_

Has the company's name changed? Yes ☐ No ☐ If yes, explain: \_\_\_\_\_

Year Established: \_\_\_\_\_ Years Owned: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_ Date of Incorporation: \_\_\_\_\_

Company Legal Status: ☐ Sole Proprietorship ☐ Partnership ☐ Limited Partnership

☐ Subchapter "S" Corporation ☐ "C" Corporation ☐ Limited Liability Corp

☐ Other, explain: \_\_\_\_\_

Business Category: ☐ Distribution ☐ Manufacturing ☐ Wholesale ☐ Retail ☐ Service

☐ Other, please explain: \_\_\_\_\_

SIC Code: Primary \_\_\_\_\_ Secondary \_\_\_\_\_ Other \_\_\_\_\_

NAICS Code: Primary \_\_\_\_\_ Secondary \_\_\_\_\_ Other \_\_\_\_\_

Years at current location? \_\_\_\_\_



Has the company moved or expanded facilities? Yes ☐ No ☐ If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

Days and Hours of business operation: Opens: \_\_\_\_\_ Closes: \_\_\_\_\_

Monday-Friday ☐

Saturday ☐

Sunday ☐

\_\_\_\_\_

\_\_\_\_\_

Are there any lawsuits existing or pending? Yes ☐ No ☐ If yes, please explain \_\_\_\_\_

\_\_\_\_\_

Are there any tax liens? Yes ☐ No ☐ If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

Are there any Environmental Issues? Yes ☐ No ☐ If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

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#### 4. Management/Ownership

List all of those owning greater than 10% share of the company's stock. (Should equal 100%)

Name	Title	% Owned	Age

Number of Hours the owner works per week? \_\_\_\_\_ Vacation per Year? \_\_\_\_\_

Common Shares Outstanding: \_\_\_\_\_ Price Per Share: \$ \_\_\_\_\_

Preferred Shares Outstanding: \_\_\_\_\_ Shares Repurchased: \_\_\_\_\_

Buy/Sell/option Agreement in place? Yes ☐ No ☐ If yes, please provide a copy.

To Whom/ Explain: \_\_\_\_\_

What function(s) does the owner currently perform that will need to be replaced by the buyer?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Non Compete? Yes ☐ No ☐ If yes, miles? \_\_\_\_\_ If yes, years? \_\_\_\_\_

Is the owner the founder of the business? Yes ☐ No ☐ If no, years owned? \_\_\_\_\_

Does the owner have any interest in staying with the business after it is sold? Yes ☐ No ☐

Comments: \_\_\_\_\_

\_\_\_\_\_

Number of family members **including the owner** actively working in the business: \_\_\_\_\_

Number of family members **including the owner** that will need to be replaced by the buyer: \_\_\_\_\_

The following is a list of positions and the salary that will need to be replaced by the buyer:

Position: \_\_\_\_\_ Salary: \_\_\_\_\_

Position: \_\_\_\_\_ Salary: \_\_\_\_\_

Position: \_\_\_\_\_ Salary: \_\_\_\_\_



5. Human Resources/ Company Employee Information

		Yes	No
Total Employees	_____	Medical Insurance <input type="checkbox"/>	<input type="checkbox"/>
Full Time Employees	_____	Pension Plan <input type="checkbox"/>	<input type="checkbox"/>
Part Time Employees	_____	Life Insurance/IRA <input type="checkbox"/>	<input type="checkbox"/>
Union Employees	_____	Profit Sharing <input type="checkbox"/>	<input type="checkbox"/>
Average Length of Employment (yrs)	_____		

5a. Rate the local labor market: Low Unemployment ☐ High Unemployment ☐ Labor Shortage ☐

5b. Rate the strength of unions affecting this business: None ☐ Average ☐ Strong ☐

5c. List key personnel with summary of their responsibilities and back up personnel to these positions:

\_\_\_\_\_/ Finance & Accounting

\_\_\_\_\_/ Administration

\_\_\_\_\_/ Quoting & Contracts

\_\_\_\_\_/ Field Supervisor(s)

\_\_\_\_\_

\_\_\_\_\_

5d. SKETCH OUT ROUGH ORGANIZATONAL

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## 6. Products and Services

General Description of company's products and/or services: \_\_\_\_\_

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Provide a breakdown for last fiscal year of products/services by sales volume in dollars and in percent:

Products/Service	Sales Volume (\$)	Sales Vol. (%)
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
<b>Total</b>	<b>\$</b>	<b>100%</b>

Does the company have Copyrights, Trademarks and/or Patents? Yes ☐ No ☐

If Yes, please explain: \_\_\_\_\_

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Does the company have Cyclical or Seasonal Factors? Yes ☐ No ☐

If Yes, please explain sales distribution by season: \_\_\_\_\_

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Describe how the company sells and distributes the products and/or services: \_\_\_\_\_

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Bid? Yes ☐ No ☐ Proposal? Yes ☐ No ☐

Any Subcontractors? \_\_\_\_\_

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What is the company's Backlog of orders? \_\_\_\_\_ For how long? \_\_\_\_\_

Explain \_\_\_\_\_

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Does the company have a recurring revenue stream? Yes ☐ No ☐ If yes, please explain \_\_\_\_\_

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What is the recurring revenue stream as percent of the total business? \_\_\_\_\_

What are the payment terms offered to customers? \_\_\_\_\_

What is the A/R collection period (average)? \_\_\_\_\_

How does the company value Inventory? FIFO ☐ LIFO ☐

How many supplies does the company have in a year? \_\_\_\_\_

How many suppliers account for 25% of the purchases in a year? \_\_\_\_\_

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## 7. Market & Customers - Selling & Distribution

What are the primary target market / applications for your products or services?

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Market share estimate \_\_\_\_\_

Rate the market trend for this product or service:

☐ Decline ☐ Stable ☐ Growth

How long has the company, product or service been known?

☐ New ☐ 10yrs or less ☐ >10 years

How many different companies are in the company's trade area?

☐ None ☐ A Few ☐ Many Competitors

What are the company's primary marketing methods?

Radio	<input type="checkbox"/>	Outside Representatives	<input type="checkbox"/>	Yellow Pages	<input type="checkbox"/>
Television	<input type="checkbox"/>	Employee/Sales Staff	<input type="checkbox"/>	Direct Mail	<input type="checkbox"/>
Newspaper	<input type="checkbox"/>	Telemarketing	<input type="checkbox"/>	Website	<input type="checkbox"/>
Trade Journals	<input type="checkbox"/>	Ongoing Contacts	<input type="checkbox"/>	Email	<input type="checkbox"/>
Expos	<input type="checkbox"/>	Trade Associations	<input type="checkbox"/>	Social Media	<input type="checkbox"/>

Other Marketing: \_\_\_\_\_

Which networking events do you attend (chambers, industry associations, charities): \_\_\_\_\_

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## 8. Customer Information

Describe the Company's customer base:

Public ☐ Private ☐ Both ☐

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Approximate number of customers (PER YEAR): \_\_\_\_\_

How many customers account for 25% of the revenues in any given year? \_\_\_\_\_

List the Top 5 customers by percent of revenue

Customer #1	%
Customer #2	%
Customer #3	%
Customer #4	%
Customer #5	%

The customer base is: Local ☐ Regional ☐ National ☐ Global ☐

Typical distance? \_\_\_\_\_





## 9. Competition

Who are the top three company's major competitors? Where are they located? How big are they?

NAME OF COMPETITORS	LOCATION	SIZE

Same service / same pricing ? \_\_\_\_\_

\_\_\_\_\_

Describe most recent head-to-head competition \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

How often do you face competition \_\_\_\_\_

Price impact on your company \_\_\_\_\_

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## 10. Growth & Competitive Advantage

List potential **growth opportunities**: \_\_\_\_\_

\_\_\_\_\_

What is the expected annual growth rate of the business? \_\_\_\_\_ of the market? \_\_\_\_\_

What kind of Investment would be needed to **grow further** and how much more could you grow? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

List potential new customers in order to **grow** the business \_\_\_\_\_

\_\_\_\_\_

List potential new market and product segments in order to **grow** the business \_\_\_\_\_

\_\_\_\_\_

What is your company's **TRUE competitive advantage**?

\_\_\_\_\_

\_\_\_\_\_

Why do customers choose your company? \_\_\_\_\_

\_\_\_\_\_

What disadvantages do you have in the market? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Barriers to market entry? \_\_\_\_\_

\_\_\_\_\_



# **11. Required Business Management Experience & Transition**

Seller will train buyer without charge for \_\_\_\_\_ weeks

Given an individual with reasonable skills and little direct knowledge of the business, how long would it take to learn enough about the business to manage it properly? \_\_\_\_\_ months

If you were to start a business of this type, considering start-up costs, and capital investment, how long would it take to show a profit after deducting a reasonable salary for yourself as a manager? \_\_\_\_\_ months

What are the skills or licenses required to operate the business?

\_\_\_\_\_

Other assets included in the sale: \_\_\_\_\_

\_\_\_\_\_

Items excluded from the sale: \_\_\_\_\_

\_\_\_\_\_

On separate recasting sheet list all **leased** equipment where lease(s) obligations must be satisfied or assumed by purchaser.

On separate recasting sheet list any **debt** that must be cleared or assumed to sell the business.

How long does the fixed asset equipment typically last before replacement \_\_\_\_\_ (years)

What are the annual fixed assets expenditures (CAPEX): \$ \_\_\_\_\_

(DOUBLE CHECK: Total Fixed Asset value divided by years should approximately reflect the annual CAPEX)

How much working capital does the business typically require: \$ \_\_\_\_\_

Is there a bank credit line for working capital? Yes ☐ No ☐

If yes, explain: \_\_\_\_\_

Please provide name/address/phone /fax of your attorney: \_\_\_\_\_

\_\_\_\_\_

Please provide name/address/phone /fax of your accountant if different than on last tax return:

\_\_\_\_\_

**(NO ENGAGEMENT TO BE ACCEPTED W/O ATTORNEY SELECTION)**



**What are the expected terms for the sale of the business?**

Down Payment: Yes ☐ No ☐ If yes, please indicate the percentage: \_\_\_\_\_ %

Seller Finance/Note: Yes ☐ No ☐ If yes, please indicate the percentage: \_\_\_\_\_ %

Terms Ok? 5 Years @ 8 %

Commercial Financing: Yes ☐ No ☐ If yes, please indicate the percentage: \_\_\_\_\_ %

Seller Consulting Agreement: Yes ☐ No ☐ If yes, please indicate the fee: \$ \_\_\_\_\_

**Owners Estimated Value Of Business:** \_\_\_\_\_

Please provide any additional comments and/or information: \_\_\_\_\_

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**(FORM NEEDS TO BE SIGNED-OFF BY SELLER BEFORE SUBMISSION)**



**12. Facilities & Real Estate** (also to be listed on the recasting spreadsheet)

Building Type: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Property Size (ac): \_\_\_\_\_ Building Size (sqft) \_\_\_\_\_ Construction Date : \_\_\_\_\_

Property: Leased ☐ Owned ☐ If owned, in a separate entity? Yes ☐ No ☐

If yes, what is the name of the entity? \_\_\_\_\_

Annual Lease Amount \_\_\_\_\_ Annual Insurance, Taxes, CAM \_\_\_\_\_

Cost Per Square Feet: \$ \_\_\_\_\_ What is the market rate? \_\_\_\_\_

Lease expiration date? \_\_\_\_\_ Lease Options? \_\_\_\_\_

Can the lease be assumed by buyer? Yes ☐ No ☐ Landlord consent required? Yes ☐ No ☐

Is this a corporate lease or personal lease? \_\_\_\_\_ Personal guarantee required? Yes ☐ No ☐

Was an environmental assessment conducted (i.e. Phase 1 or Preliminary Assessment)? Yes ☐ No ☐  
(HEAVY INDUSTRY OPERATIONS NEED TO HAVE THIS IN PLACE BEFORE A SALE)

**Future Lease Terms:**

**If current business seller owns property and wants to lease it to the new business owner:**

Monthly Lease Payment: \$ \_\_\_\_\_ / month

Monthly Est. Cost for Insurance, Maintenance, Taxes: \$ \_\_\_\_\_ / month

Estimated Total Annual Cost: \$ \_\_\_\_\_ / year

**Proposed Purchase Terms:**

Asking Price: \$ \_\_\_\_\_

Monthly Est. Cost for Insurance, Maintenance, Taxes: \$ \_\_\_\_\_ / month

Was the value established by appraisal? Yes ☐ No ☐ If Yes, when? \_\_\_\_\_

Will owner agree to finance? Yes ☐ No ☐ If Yes, amount? \$ \_\_\_\_\_

Terms of owner financing: Number of years \_\_\_\_\_ Interest rate \_\_\_\_\_ %

**(PREPARE THIS SHEET FOR EVERY PROPERTY THAT BUSINESS OCCUPIES)**



### **13. Owner Reason for Selling**

What is the #1 reason for selling the business? What do you most want to accomplish by selling the business?

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What are you looking forward to most after selling?

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What does life look like after selling the business? Do you know how you will fill your daily time after selling?  
What activities?

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What will you miss the most about the business after selling?

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What will you miss the least about the business after selling? Do you think you will have less pain/stress in  
your life after selling?

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What is your greatest concern about selling the business? Do you think this selling process will be painful?

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Who are the ultimate decision makers in the sales process?

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Who will you consult with during this process?

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#### **14. Recasting Questions - to be filled out on Recasting Spreadsheet**

##### **Balance Sheet**

- What is average monthly A/R?
- What is average monthly inventory?
- What is the street value of furniture and fixtures?
- What is the street value of business equipment?
- How many vehicles and what is street value?
- What is monthly A/P?
- What is total bank debt (not personally guaranteed)?
- Any other assets or liabilities of note?
- What is current backlog or work in progress?

##### **Equipment List**

- Available in spreadsheet format?

##### **Cash Flow Analysis**

- How does ownership get paid (W2, 1099 or distribution)?
- Is there cash extra to ownership?
- Are there any non-working or "overpaid" family members?
- Personal vehicle expenses (leases, gas, maintenance, insurance)?
- Personal health insurance?
- Personal life or disability insurance?
- Pension plan, profit sharing, 401k or Simple IRA?
- Travel and entertainment?
- Cell phones & supplies?
- Property expenses and repairs?
- Rent overpaid or underpaid?
- Unusual expenses (boats, second homes, business coach, tuition, etc.)?
- One-time expenses (law suits, audits, natural, etc.)?
- Any other personal items paid for by the business?
- What is projected annual revenue growth rate?