

Talking Fashion



Roger Wade

Unlock your assets by finding the exit

In the 12 months since I sold the Boxfresh brand, I have met several successful entrepreneurs and tried to work out the secrets of their success. The best ones develop good business plans, stick to their strategy, take good advice, and plan their exit from the outset. Basically, they build up a business to sell.

I have met many owners who buy and sell product every day but who don't have any sale plans for their biggest asset – the company. Unless you plan to hand it to your kids, it is essential to develop a clear exit strategy.

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The most common error is not selling when you are at the top. Most people – me included – wait too long and only consider selling in a downturn, which may lead to a desperate fire sale. Buyers want a successful business

and are willing to pay a premium to achieve it.

There are many types of potential buyer – private equity firms, trade buyers and private individuals. No single exit route is the best; it depends on the situation. If you want to stay in the business and need funds to grow, private equity may work best. Alternatively, if you want to head off into the sunset and sip cocktails, a 100% trade sale might be better.

Get proper tax advice, and consider separating your company assets from the trading company. This will protect your assets and may have tax advantages. When we sold Boxfresh we offloaded the assets, in particular our international trademarks, rather than the trading company. It is essential to seek good trademark advice and register your trademarks. So protect your crown jewels, store them safely, and think cocktails.

Roger Wade is the founder of Boxfresh and director of Brands Incorporated, a brand and licensing consultancy