Business Broker Questionnaire

BROKER INTERVIEW QUESTIONS	NOTES RE: BROKER RESPONSES
Do you handle businesses of our size? **What percentage of your listings and your sales are for businesses with revenues roughly equal to ours?** **What percentage of your listings and sales are for businesses in our sector? (Major sectors include manufacturing, wholesale distribution, service, and retail)** *Advice:* Seek brokers that handle businesses of your size or in your sector.	□ Yes □ No
In a business sale, which functions does the brokerage handle and which functions do you prefer for the seller to handle directly? *Advice:* Seek a broker who is prepared to handle all the tasks you want to assign.	
How will you present our business for sale? **How much would you allocate monthly for advertising expenses?** **Where would you advertise, and which websites would you use?** *Advice:* Seek a broker with a high-traffic website who also advertises on other sites and publications.	
Do you cooperate with other brokers to reach business buyers? *Advice:* Seek a broker with affiliations that expand visibility for your business and help to reach more buyer prospects.	□ Yes □ No
How do you screen and research buyers? *Advice:* Seek a broker with a thorough screening process that removes unqualified inquiries before requiring investment of your time.	

How long does the listing agreement last? **Is the listing agreement exclusive? Does it stipulate that the broker has exclusive right to sell your business?** *Advice:* Expect at least a 6-month exclusive agreement but be cautious about committing to longer terms.	
How will you communicate with me during the term of the listing agreement? *Advice:* Confirm that the broker's communication frequency and approach match well with the amount of involvement you seek and the amount of time you can commit.	
Are you compensated entirely by the sale commission or are other fees involved? **What is the commission rate?** **What other fees, if any, should we expect?** **When are payments for the fee due to the brokerage?** **If our business doesn't sell, will we be obligated for any fees to your brokerage?** *Advice:* Confirm broker fees during initial interviews to allow broker-to-broker comparisons.	
Are you covered by professional liability insurance? *Advice:* Avoid brokers without liability insurance.	□ Yes □ No
Are you a member of the International Brokers Association? **Are you a Certified Business Intermediary (CBI)?** *Advice:* Seek brokers with strong industry affiliations and credentials.	□ Yes □ No □ Yes □ No