

Determining the Best Time to Sell

As with most markets, the technology and communications industries go through cyclical changes. Navigating upswings and risks can be both confusing and nerve-racking, especially when considering the right time to sell a business.

There are factors that help to determine optimal selling times, whether you plan to accelerate your exit strategy or it's but a distant idea.

Big Companies, Bigger Profit

As of late, big players in both the communications and technology arenas have been acquiring smaller or rival companies, creating giant multi-faceted corporations. They continue to bulk up to achieve bigger savings in costs, by increasing production. A prime example is the recent merger between AT&T and Time-Warner. Each company determined that consolidating their assets was an economic no-brainer.

Relaxed FCC

The Federal Communications Commission has pulled back its reigns on more regulations since mid-2017. It has offered regulatory relief to telecommunications companies, allowing them more leeway to raise prices for faster Internet services. With lesser price regulation, communications companies can increase competition and investment, which leads to the potential acquisition of smaller competitors.

It's All Up From Here

As the technology and communications industries continue to grow, possible mergers, whether between major players or among smaller companies, are endless. With the current financial environment at hand, right now it makes financial sense for these smaller companies to consider selling. For a company looking to sell, 2017 is proving to be a time to get highest purchase price.

Whether looking to buy or sell, Thermo Credit can help match potential candidates. We use our extensive industry experience to: determine potential candidates, assist with negotiations, provide acquisition funding and more.