Clare Advisors Releases Guide on 16 Terms to Know for an M&A Deal

WASHINGTON D.C., UNITED STATES, August 1, 2022 /EINPresswire.com/ -- Clare Advisors has released a guide on 16 terms agency owners should know if they're considering an M&A deal. Selling or buying a business is not easy and M&A advisors, legal counsel, and tax advisors that regularly work in the deal space may use language that agency owners do not use on a regular basis.

Business owners can certainly turn to their merger and acquisition advisor for help throughout the entire process, whether they're selling or buying. However, having a general understanding of M&A terms will help all relevant parties communicate more efficiently.

The terms that Clare Advisors recommends that people should know include the following:

• Multiple
• Earnout
• Closing
• Consideration
• Valuation
• Discounted Cash Flow Analysis
• Comparable Company Analysis
• Comparable Transaction Analysis
• Due Diligence
• Pro Forma Financial Statements
• Descriptive/ Confidential Information Memorandum (CIM)
• Letter of Intent
• Purchase Agreement
• Employment Agreement
• Working Capital

• Management Presentations

These terms take an initial glance at what methodologies, processes, and documents are used/required in a typical M&A deal. Some terms, like “consideration” and “valuation” may be used consistently throughout the entire process, as they are major negotiating points. Others, like “management presentations” are brought up at certain points of the process as management presentations normally occur after the selling party has already reached out to a select number of potential buyers.

Understanding the basics of M&A deals and how one stage moves into another will help the agency owner have a better grasp of how the deal is moving along. It also helps with communication parties.

Clare Advisors is a buy-side and sell-side advisory specializing in M&A and financial services for digital advertising agencies, marketing agencies, and business service providers. Business owners or agencies looking to sell their company can connect with an M&A advisor by visiting the Clare Advisors website.

John Burns
Clare Advisors
email us here
Visit us on social media:
Twitter
LinkedIn
