

# Built To Sell Summary

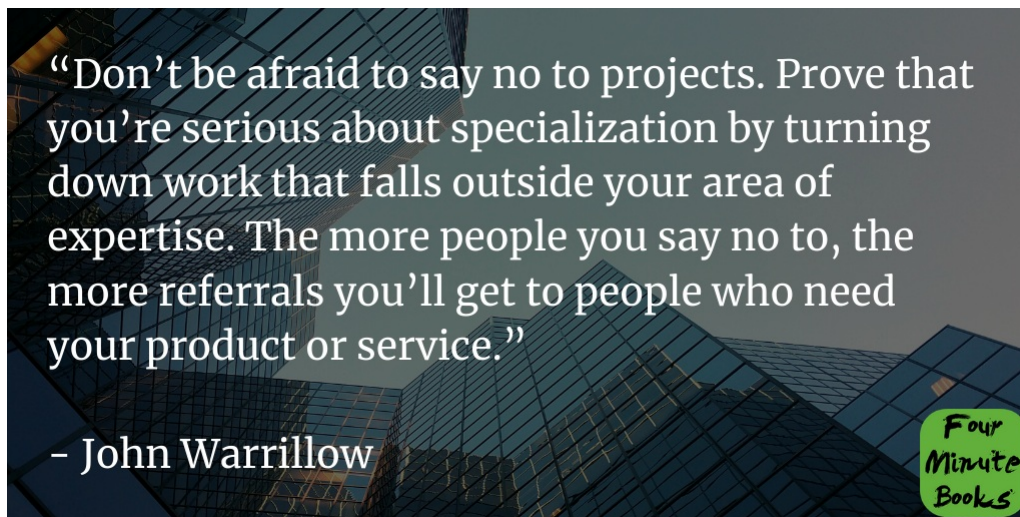
---



**1-Sentence-Summary:** *Built To Sell* shows you how to become a successful entrepreneur by explaining the steps necessary to grow a small service company and one day sell it.

**Read in:** 4 minutes

**Favorite quote from the author:**



If you've ever worked in a start-up or began one yourself, you know how demanding it can be. The long hours and uncertainty are tough to manage. It's usually not long before burnout becomes a regular thing in your life.

But what if there was a way out of all of this that could make you rich? Your ticket out that you might not see is selling your company. And it's not so crazy an idea if you prepare well.

This is what John Warrillow's *Built To Sell: Creating a Business That Can Thrive Without You* will show you how to do. You'll see that considering this idea, especially at the beginning, can help you decrease stress, free up time, and even come out wealthier. Even along the path of getting your company ready to sell.

Here are the 3 most insightful lessons I learned about entrepreneurship:

1. You will be more successful in business if you specialize in one service.
2. If you'd like to one day sell your company, you as a founder need to work to make sure that you're replaceable.
3. Don't rely on one big client, it's risky and makes your business less attractive to those that may buy it.

Selling a company has never been more straightforward! Let's dive right in and see how to do it!

## Lesson 1: **Specialize in one service to make it easier to be successful.**

---

I have a peach tree in my backyard that's had a few years in the past where the fruit wasn't very good. This puzzled me until one year in the Spring, I saw just how many peaches were cumbering the branches. I took a quick moment to thin it, and months later we had larger, tastier peaches unlike any we've had before.

This is a good little analogy for what it takes to do well in business. If you try to feed too many opportunities, none of them will end up very fruitful. But by focusing on just one and becoming the best, you'll reap much more enjoyable rewards.

One reason this is such a wise move is also that it sets you up as an expert in one area. When you do this it lets potential clients see what you are best at. And that you can do it better than any other company.

**You'll also build your reputation in the industry as the one that has the highest quality service.** Once clients see that, it's easy for you to attract new business because people will recommend you. This also makes negotiating higher prices a lot easier.

When you specialize, you also make it easier to get the best people on your team. If your company is small, it will be difficult to hire many experts to offer many different services. But with just one, you can afford to bring on better talent to fulfill that need for your customers.

## Lesson 2: **When starting your business, plan on your company replacing you as a founder if you want to sell it.**

---

I just began a company last year and it's fun to be the owner. The feeling of knowing that I created something that adds value to my clients is amazing. It means that I get to be involved in almost all aspects of my business, which I enjoy. But if you own a startup that you hope to one day sell, be careful of becoming the linchpin without which things can't operate.

When you begin, it's easy to want to get your hands on every decision. After all, it's your business, right? You want to ensure that top quality work is going out because all of the risk is on you. This makes your involvement in every client relationship and financial decision seem like a necessity.

But the more you do this, the harder it is to get out. Clients get used to talking with you. Their main connection with the business is you and to them, you are the entire company. Eventually, you can't break the habit, and you get stuck.

**When it comes time to bring on more clients, the company has a hard time growing because it all depends on your already tight schedule.**

This also prevents you from working on the business to look for growth opportunities and make it more efficient. And what's worse is that it makes vacation or any type of time off nearly impossible for you.

To combat this and prepare for a future sale, delegate as much as you can and as early as possible.

## **Lesson 3: It's risky to rely on one big client for most of your income, and it makes you less attractive to potential buyers.**

---

You dream of one day selling the company. But to do that, you've got to show that it is growing and that profits are increasing. So naturally, you go after the big clients, which is good. Be careful, however, of depending on them too much.

The first reason this is dangerous is because of cash flow. Let's say you've got a big client that is 40% of your revenue. **What happens if they're late making a payment?** You're going to struggle to make payroll and cover rent, at least. You don't need to add any more stress to the already hectic pace of startup life!

Having just one or two big clients also makes it harder to negotiate. You might want to get higher prices or longer to finish projects, for example. But you can't suddenly raise your fees or you run the risk of losing one of the big customers!

It's also hard to keep your most talented workers in this scenario. Let's say one client needs to have a project out by Monday and it's Friday. Your best employees have to work the weekend, and you risk losing them.

To potential buyers, all of these are bad signals for buying your company. So diversify your income streams as early as you can!

## **Built To Sell Review**

---

*Built To Sell* is an excellent book with spot-on advice. These tips just make sense if you want to one day sell your company. I like that we're seeing more books like this one because they will help more people see that they don't have to run some crazy big corporation to be a

successful entrepreneur.

[Read full summary on Blinkist >>](#)

[Free Preview >>](#)

[Learn more about the author >>](#)

## **Who would I recommend the Built To Sell summary to?**

---

The 41-year-old founder who has been working tirelessly for years to build their company and wants a way out, the 23-year-old who is thinking about the advantages of starting a business and preparing to sell it, and anyone who is interested in entrepreneurship.