

Title:

Is your company ready to go public?

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532

Summary:

A public company can attract lots of shareholders from any place, where it sells its products or services.

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Article Body:

Is your company ready to go public? How will you decide whether your company is ready to go public or not? There is no magic number or formula which qualifies a private company to transform into a public company. Then what are the factors which determine a company to be ready to public. Let us explain when you can transform your private company into a public company.

A public company can attract lots of shareholders from any place, where it sells its products or services. Check whether your products or services have a good market or not. If your product features a good regional market or national market you can transform your company into public. The basic fact behind this is that, if your product has a good name among the people, there will be large numbers of people who are ready to purchase your company's shares. If your product is not having such a market then there will be any use for you to go public. Investors will check your company's market value before making any investment. If they see your products or services have good move in the market they will surely rush into for buying shares.

The next step is to check whether your management team can grow your company or not. If your answer is yes, your company is ready to go public. This is because your management team is the vital part of your company who plays a main role in successfully using your equity financing. If you feel that they lack significant education and work experience, then don't go with idea of making your company public.

If you feel that your company has enough credibility, and need some additional money to grow more, your company is ready to go public. Remember that you will get necessary shareholders and investors if you have enough credibility. But

when your company transforms into a public company, your company's responsibility increases and you must have a good management team to slowly grow up into new horizons. Unless you are sure your management team has good work experience, don't go to make it a public company.

Make a good business plan which should also be the vision and strategy of your company. You can also modify your existing business plan, keep in mind that you are going to expand your company into a public one.

There is no special time to say it is a good one to go public. If you think that your company's products and services have a good market you can go public. But it is better from your part to prepare some month before you are moving such a step. This is because you need to study the ins and outs of the public sector. As you are new to the public sector it is wise to make a study about the public sector before you transform your private company into a public one. This is something you have to be done so as to make your company tie up with the new standards. After all, once more make it sure that your company qualifies to become a public one.