

Buying a business is equal parts momentum and restraint. Move too fast and you inherit problems you didn't price. Move too slow and a stronger buyer, or a wary seller, takes the deal from you. The best acquirers learn how to compress time without cutting corners. They know where days matter, where weeks matter, and where patience is cheap insurance.

I have sat on both sides of the table: rushing to hit a founder's desired close before year end, and advising a buyer to slow down after a late discovery about working capital patterns. Over dozens of transactions ranging from \$3 million to \$150 million, I have found that timeline management is not about a single calendar. It is about sequencing, risk gating, and knowing which dependencies can run in parallel safely.

This article unpacks how to right-size the timeline for a deal, what each phase really takes, and how to tell when to accelerate or pause. It is written for buyers who want practical guidance, whether you are leading your first search or sharpening your process after a few closings. It will also be useful if you run a Business Acquisition Training program and need a framework that teaches judgment as well as mechanics.

## **The timeline that actually governs a deal**

Standard playbooks show clean phases, but real deals breathe. People go on vacation. A lender's credit committee moves a meeting. A landlord takes a week to review an assignment clause. You need a plan that accepts variance without unraveling.

A functional mid-market timeline often looks like this:

- Pre-LOI preparation: 2 to 6 weeks, depending on sector research and target access
- LOI negotiation and exclusivity: 1 to 3 weeks
- Confirmatory diligence: 6 to 12 weeks for small to mid-size deals, longer if regulated
- Financing and legal documentation: runs in parallel with diligence, 5 to 10 weeks
- Closing mechanics and pre-close integration planning: 2 to 4 weeks, partially parallel

Those ranges tighten or expand based on deal type. An asset-light software business with clean revenue retention can close inside 45 days from LOI if the seller is organized and a lender underwrites quickly. A heavy equipment distributor with floor plan financing, union contracts, and environmental exposure can take 120 days and still be healthy.

The right goal is not "fast," it is "fast relative to risk." Each phase has its own right speed.

## **Pre-LOI work that saves months later**

The fastest path to close begins before you ever send a letter of intent. The worst delays come from learning basic truths too late.

Good pre-LOI preparation accomplishes three things. First, it gets you pointed at targets where you can underwrite efficiently. Second, it builds a first-pass view of what the business must believe to be worth your price. Third, it earns the seller's confidence that you can close.

Focus on three threads.

Market and model [dealmakers.co.uk](https://dealmakers.co.uk) Business Acquisition clarity. You should be able to explain the revenue engine in two sentences: how customers come in, how often they buy, and what drives gross margin. If you struggle to

articulate that, you will struggle to diligence it in 60 days. This is where Business Acquisition Training pays off. Teaching associates to diagram the revenue ladder for a niche business, rather than plugging numbers into a generic model, typically trims two weeks from confirmatory work later.



Data requests that respect the seller's bandwidth. Pre-LOI, you do not need every bank statement. But you do need enough to avoid a wild goose chase. Ask for trailing twelve months by product or service line, a top customer list with percent of revenue, headcount by function, and any one-time events affecting results. If a seller balks at even this light request, expect a choppy path.

Financing reality. If you plan to use SBA financing or a cash flow loan, talk to lenders early about the target's profile. A business with customer concentration above 30 percent of revenue or uneven EBITDA margins will slow a lender. Better to surface that in a 15-minute pre-LOI call than after six weeks of diligence.

A buyer I advised put in this pre-work on a \$9 million HVAC services acquisition. Because they had already mapped seasonality and maintenance contract churn, they could propose a working capital peg in the LOI and head off a conflict that otherwise would have surfaced at the eleventh hour. That single move saved ten days and several bruised egos.

## Using LOI to set tempo, not just price

The letter of intent is a speed lever. It does not need to be a phone book, but it should lock down deal architecture and timelines clearly enough to prevent drift.

Key terms do more than frame valuation. They choreograph the weeks ahead. If you do not specify an exclusivity period with sensible extensions for lender approvals or third-party consents, you invite re-trading pressure. If you leave working capital unaddressed, your attorneys will spend days redlining language that a straightforward peg formula could have settled.

I favor LOIs that include a target closing window, milestone dates for first-pass diligence deliverables, and a short list of closing conditions. Add a line that both parties will use a secure data room within five business days, and another that both sides will identify responsible individuals for diligence workstreams. A named person who owns "commercial diligence" beats a vague placeholder that reads "buyer to perform diligence" and loses a week to confusion.

The LOI is also the place to signal your intent to move parallel tracks. For example, commit to beginning quality of earnings work within a week of exclusivity. Sellers take comfort when they see a calendar. They also step up their

own responsiveness.

## **Confirmatory diligence: the critical path**

The diligence clock rarely stops, but it often stalls. Manage it as a critical path project with dependencies, not as a scavenger hunt.

The first ten business days after LOI are the most decisive. If you do not establish momentum here, you will spend the rest of diligence catching up. I front-load four activities.

Quality of earnings and data integrity. Engage a QofE firm that fits the size and complexity of the target. Set a two to three week timetable for fieldwork and draft report. Give them permission to talk to the seller's controller and accountant directly to avoid email traffic jams. On a \$5 to \$15 million EBITDA deal, a compact QofE still takes three to five weeks end to end when you include data wrangling. Expect longer if revenue recognition is complex or if the accounting close is manual.

Commercial and customer health. Do not wait for the QofE draft to learn how sticky the customers are. Build a simple retention analysis in the first week using the seller's raw invoices if necessary. If NDA structures allow, schedule a few customer calls in week two or three with the seller's participation. I have saved two deals and killed three based on what I learned in five well-structured customer conversations.

Operational and legal risk spots. Put environmental, regulatory, and contract diligence in motion early, especially if a plant, hazardous materials, or a professional license is involved. I once lost three weeks because a municipality required a special inspection for a used oil furnace at a small industrial laundry. No one had flagged it, and the only inspector took a summer vacation. That kind of delay is avoidable if you scan for edge cases up front.

Working capital behavior. Average-case pegs are often wrong in seasonal or project-driven businesses. Build a 24-month monthly working capital series, then segment by busy and slow periods. Irregular working capital is not a reason to avoid a deal, but it is a reason to bake in a true-up mechanism and to prepare your lender. If you punt to week nine, you will compress a difficult conversation into the worst possible moment.

Buyers sometimes ask for a 30-day diligence period with a 30-day extension. In practice, if you have not framed key risks by day 30, you have a team issue, a seller issue, or a complex business. Use day 20 as your gut check. By then, you should know the three or four items that decide go or no-go, with a plan to settle them.

## **Financing speed without sloppiness**

Financing can make or break your timeline. A cash buyer with internal approval can move quickly, but most buyers juggle lender underwriting, an equity partner's investment committee, or both. The secret is to convert uncertainty into trackable asks.

If you plan to use senior debt or an SBA loan, have a lender term sheet draft in circulation within the first 10 days post-LOI. Lenders do not love surprises. Give them a weekly one-pager that lists EBITDA adjustments you are testing, customer concentration exposure, and any collateral issues. That kind of candor shortens credit committee cycles because your lender does not have to reverse-engineer your thinking.

Equity partners move at different speeds. A family office that has known you for years can sit for an ad hoc approval on short notice. A fund with formal ICs needs two to three weeks from a full memo to approval. If you rely on the latter, calendar those meetings as soon as the LOI is signed and update them with a short, tight deck at the end of week two.

I have also seen timing derailed by lender legal documents that arrive too late. Ask your lender to circulate their closing checklist by the end of week three, even in draft. Their counsel will need to coordinate with your purchase agreement counsel on collateral schedules, IP assignments, and landlord consents. If those two legal teams talk for the first time in week seven, your close just slid.

## **Legal drafting that actually drives to close**

Experienced transaction attorneys save time by narrowing decision points. An overly bespoke purchase agreement can be as dangerous as a cookie-cutter form, because both create false certainty. Aim for enough customization to reflect the business, not your last deal.

Set two tracks with counsel. First, a markup track where buyer and seller agree on the backbone: representations, covenants, indemnities, escrow, and the big definitions. Second, a disclosure track where the seller produces schedules that actually match the data you have reviewed. Most closings I have seen slip because disclosure schedules arrive late and trigger new questions. Prevent this with weekly check-ins that focus only on schedules, not on legal language.

Strong reps and a modest escrow can be faster than light reps and a big price concession. Sellers often accept more robust representations if you explain that well-drafted reps reduce post-close confusion. Tie indemnity caps and survival periods to the business's risk profile. A rural construction firm with long warranty obligations probably needs longer survival on related reps than a digital marketing agency with month-to-month contracts. You can trade survival length against escrow size if cash at close matters to the seller and speed matters to you.

## **Third-party consents: the quiet killers of momentum**

Vendor contracts, customer assignment clauses, equipment leases, insurance policies, permits, and the building lease all hide consent requirements. Many of these cannot even be processed until the landlord or counterparty sees draft agreements. Every week you wait to open the conversation is a week you cannot get back.

I ask for a list of all contracts over a threshold, usually \$25,000 in annual spend or \$50,000 in total value, in the first week of diligence. I scan for consent and change-of-control clauses immediately. Then I ask the seller to pre-wire those counterparties with a simple narrative: ownership will change, operations will not, and your consent is requested on standard language. Most landlords say they need two to four weeks. Utility districts and certain municipalities can take longer. If a landlord knows you will assume the lease and put up a fresh deposit, their speed improves.

On a multi-site healthcare roll-up, we once knew the closing date would slip if a payer took longer than 21 days to approve the assignment. We told the seller that our price assumed a certain date and that any slip would require bridging risk through escrow adjustments. The seller's counsel called the payer the same day. Approval arrived in 10 days. A clear incentive moves mountains.

## **When speed helps you win**

There are moments when compressing time is offensive strategy. Sellers often value certainty as much as a few extra points on price. If you are bidding against slower capital, timeline can be your edge.

Consider a small software company with \$4 million ARR and low churn. The founder has two suitors. One offers a slightly higher price but needs 90 days of diligence and a reluctant bank. The other, a well-prepared independent sponsor, offers a disciplined valuation but can close in 45 days with committed debt and a tight plan. The founder

picks the second buyer. Why. Because a 45-day close limits the founder's distraction and reduces the open-ended risk of a busted process.

You can also use speed to control narrative. If you can conduct customer calls in week two with the seller's blessing, you shape the seller's perception of your professionalism. If you have a short, crisp diligence tracker that shows green and yellow items with owners and due dates, you earn the right to ask for sensitive items earlier. Sellers respond well to visible competence.

Another overlooked area: taxes. Offer to cover reasonable costs for the seller's tax advisor to review structure early. That small gesture accelerates alignment on asset vs. stock treatment, which avoids late-stage friction. I have paid \$5,000 in advisor fees to save two weeks and protect much more in eventual value.

## **When caution is the smarter play**

There are also clear times to tap the brakes. A stretched timeline is better than inheriting a cancer you cannot treat.

Slow down when your QofE scope creeps because the accounting foundation is weak. If you find cash receipts posted to generic buckets, or revenue recognition that bends to cash needs rather than GAAP, extend diligence and re-baseline the deal. I once added three weeks to validate that service revenue was not being double-counted. Without the pause, we would have overpaid by nearly 20 percent.

Pause if customer concentration looks benign in totals but hides fragility in cohorts. For example, a \$12 million distributor showed 35 percent of revenue concentrated in its top five accounts. Normal for its niche. What we found in week three: the two largest had overlapping contracts with a parent company that was consolidating vendors. The seller had heard rumors but could not confirm. We waited, insisted on two customer calls facilitated by the seller, and learned a downsizing was likely within six months. We restructured the deal with an earnout tied to retention. If the seller had refused the calls, we would have walked.

Extend closing if key managers are not under paper. If the three supervisors who run the plant want to see the whites of your eyes before they sign stay bonuses or employment agreements, make the trip, have the conversation, and rewrite the bonuses if needed. Losing them 30 days after close will cost you multiples of a week's delay.

Finally, be cautious when regulatory interpretations are unclear. Healthcare, financial services, environmental permits, and export controls can torpedo a post-close plan if you assume the most convenient reading. Bring in counsel who lives in that narrow slice of law, spend the money, and wait for the memo. The bill might sting. A consent order will sting more.

## **Compressing time ethically**

Speed does not mean pressure tactics. The cleanest accelerant is preparation. The next best is transparency. If you want a seller to move faster, show how their speed produces a concrete benefit, like a firm closing date, a holiday break, or a reduction in their personal guarantee tail with a lender.

Structure your asks in stages. In week one, request high-level financials, customer lists by percentage, and key contracts. In week two, go deeper on inventory turns, backlog, and obligations. Explain each request's purpose so the seller does not assume you are stalling. If your Business Acquisition Training program teaches associates to include "why this matters" in every data request, your deals will feel smoother and move faster.

I also pre-write a simple two-page integration day-one plan and share it with the seller by week three. It outlines how payroll will run, who approves purchases, who communicates with customers, and what systems stay or change. This reduces seller anxiety and signals that you are not improvising. An anxious seller is a slow seller.

## **Calendars, not checklists**

The most useful tool in timeline management is a living calendar, not a static checklist. A good calendar shows milestones, owners, and dependencies. It also shows blackout windows, like a CFO's pre-planned vacation or the lender's credit committee dates. Time your deliverables and asks around those windows. Expect holidays to cost you five to ten working days if you do not plan around them.

Two simple rules help:

- Treat the first 15 business days after LOI as non-negotiable sprint time. Front-load the hardest asks and the most revealing analyses. That sets the tone and exposes true risks early.
- Reserve the last 10 business days for closing mechanics only. If you are still arguing about EBITDA adjustments in what should be closing week, you did not respect the middle of the calendar.

## **The quiet value of draft documents**

Drafts speed deals. Share a first draft of the purchase agreement early. Send a strawman for the working capital peg. Offer a sample customer notification letter the seller can adapt. Even a rough transition services agreement outline reduces negotiation cycles. People move faster when they edit than when they face a blank page.

On a \$25 million industrial services acquisition, we cut two weeks by giving the seller a draft of the escrow agreement and indemnity claim process in week four. Their counsel turned it around in days because they had something specific to redline. Without the draft, we would have waited for them to pick a form and only then learned their bank required particular language.

## **Post-close readiness as a timeline governor**

Buyers sometimes fixate on close date and ignore day two. That is dangerous. If your payroll file will not be ready, if your software licenses will lapse, if your insurance binder is not tailored, delay closing by a few days. It is cheaper to move a wire than to lose trust with 120 employees because paychecks are late.

Operational readiness can also earn you time. If you share a crisp day-one plan with the seller's managers, they are more willing to help fix a late-arriving schedule or to nudge a landlord. Owners want their teams cared for. Show them you are prepared, and they will accelerate your path.

## **Different deal types, different rhythms**

Not all businesses move at the same tempo. Adjust your expectations and staffing accordingly.

Founder-owned services businesses often have messy but legible books, a handful of key employees, and deep customer relationships. The path is personal. Respect privacy in early customer outreach, move quickly on cultural questions, and offer the owner a thoughtful role or a clean exit. Timelines here benefit most from early agreement on customer communications and on the owner's post-close commitments.

Private equity carve-outs move fast when the seller is organized and slow when stranded costs and shared systems hide everywhere. Spend time early to map the separation plan. If IT disentanglement requires a transition

services agreement, you need that term sheet drafted by week three. Carve-outs often require more time after signing to ready the business to stand alone, even if legal diligence is simple.

Regulated businesses, like healthcare or financial services, are consent-bound. Sequence regulatory asks in week one, involve specialty counsel, and accept that some clocks you cannot compress. Your job is to surface them early and to communicate cleanly with your financing partners so they do not hold back funding at the finish line.

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Roll-ups with multiple small add-ons thrive on rhythm. Build a reusable data request, a standard QofE light, and a legal document set that flexes by target size. The first two add-ons will feel slow. The next five will move predictably if you keep the team intact and institutionalize learning.

## Signs your deal is drifting and how to correct it

You can sense drift before the calendar admits it. Tell-tales include late or partial data drops, a seller who repeatedly asks for more time without specifics, or a lender who starts asking for "one more" clarification each week.

Three moves help you recover:

- Re-establish the critical path in a joint call. Name the three items that must be solved to sign and close. Put dates on them. Let silence do its work if someone resists accountability.
- Trade scope for certainty. If a seller cannot produce a report you want, propose an alternative, like a customer call or a third-party attestation. You often do not need perfect data to get comfortable, and a substitute can be faster.
- Reset incentives. If the seller wants a pre-holiday close, tie that to timely delivery of disclosure schedules or to landlord consent. Do not threaten, just connect outcomes with actions.

If, despite these steps, you still feel drag, revisit your go/no-go posture. Deals get worse when buyers ignore their own red flags for the sake of a date.

## Teaching timeline judgment

If you run a Buying a Business boot camp or a deeper Business Acquisition Training curriculum, teach people to draw a timeline from right to left. Start at a realistic close date, mark immovable constraints like lender committees and regulatory approvals, then work back to when each workstream must start. This trains the mind to see dependencies.

Also teach the language of tempo. Phrases like "We will begin QofE fieldwork by day five," "We propose a working capital peg equal to average net working capital over the last three completed months adjusted for seasonality," and "We will schedule landlord conversations by week two" sound specific because they are. Specificity accelerates.



Finally, bring in case studies of delays and accelerations. Let people see how a missing sales tax nexus analysis cost a buyer six weeks, or how early engagement of a payroll provider prevented a post-close mess. Timelines are muscle memory as much as they are documents.

## **A practical, flexible baseline timeline**

If you need a starting point, use this as a mental model for a sub-\$20 million EBITDA acquisition with moderate complexity:

- Week 0 to 1: Sign LOI with exclusivity, identify workstream owners, open data room, launch QofE, send lender preliminary package, schedule landlord and key customer outreach framework
- Week 2 to 3: First QofE fieldwork, retention and cohort analyses complete, initial legal markups exchanged, third-party consents underway, lender checklist received, draft purchase agreement spine agreed
- Week 4 to 5: QofE draft issued, key customer calls completed, working capital peg framework aligned, disclosure schedules half complete, lender credit memo in draft, tax structure agreed in principle
- Week 6 to 7: Finalize legal language subject to schedules, complete disclosure schedules, lock financing terms, circulate closing checklist, prepare day-one integration plan with seller input
- Week 8 to 9: Resolve open issues only, finalize escrows and indemnities, obtain all consents, exchange executed documents, fund and close

You can compress this by a week or two if the seller is unusually organized and the business is simple. You may need to extend by two to four weeks for heavier compliance, complicated leases, or a lender with set committee dates.

## **The discipline behind balanced pace**

The best acquirers look calm because they have done the hard work early. They avoid false urgency and grand promises. They carry a plan that can absorb a surprise without unraveling. They know when a two-day delay today will save a two-month headache after close.

Speed earns you deals. Caution preserves the value you pay for. Balance comes from preparing before LOI, setting tempo in LOI, front-loading decisive diligence, running financing and legal in parallel, and watching the calendar for drift. Done well, your timeline becomes a competitive advantage, not a constraint. And when trade-offs appear, as they always do, you will have the judgment to decide where to press and where to pause.