



First Steps after Buying a Business

- Reassure employees
- Smooth the transition for customers and vendors
- Update your financial arrangements

If you buy an existing business, here are some tips for making the transition a smooth one:

- Introduce yourself to all of the employees. Even though you have purchased the business, you don't really "buy" employees. Depending on the nature of the situation, the employees may need to re-establish the nature of their employment with you. They have to go through steps to become part of the business you now own. Ask employees to fill out any necessary employment forms and advise them of all current policies and practices.
- Explain to your employees what changes, if any, will be made in the business' products and services.
- Confirm how much each employee will be paid.
- Contact all of your customers. Let them know that there has been a change in ownership and that their service from you will be the same—if not better. You may also need to give them new billing or payment information, a new tax identification number, and new insurance certificates.
- Make sure that all of your suppliers and vendors update their records to show that you are now the owner/operator of the business. If any of those accounts were in the name of the previous owner, bring them up to date.
- Consider opening up a new business bank account. This will help you clearly see which transactions occurred before and after your purchase of the business.
- Provide the bank with a copy of your business' legal filings or incorporation papers.
- Obtain a federal tax identification number.
- If you are leasing or renting your place of business, meet with your landlord to sign the lease or confirm the terms of your rental agreement.

We invite you to contact Wells Fargo for further information and assistance. Visit our Web site at www.wellsfargo.com or any Wells Fargo store.