

Training Tips, Tricks, & Techniques

Selling Checklist

The following checklist contains general guidelines for selling. The more answers that are marked "Yes," the more likely you will want to sell. Some questions may not apply to all companies. The questions are ranked in the general order of importance with the most important ones at the top.

Always use in conjunction with PERT, Trend Chart, and related tools. This list is only a supplement to those primary tools.

| | Question/Issue | Yes | No |
|----|----------------------------------------------------------------------|-----|----|
| 1 | Have profit margins decreased for two or more consecutive quarters? | | |
| 2 | Is pre-tax profit [PTP] decreasing? | | |
| 3 | Are profit margins highly cyclical, and for no legitimate reason? | | |
| 4 | Is cash flow constantly decreasing? | | |
| 5 | Has return on equity decreased for two or more consecutive quarters? | | |
| 6 | Is book value per share constantly decreasing? | | |
| 7 | Is debt to capitalization [leverage] constantly increasing? | | |
| 8 | Has there been an adverse management change? | | |
| 9 | Are after-tax earnings [EPS] decreasing? | | |
| 10 | Is company grossly over-priced? [Relative value = 150% or more] | | |
| 11 | Is the company dependent upon a single product? | | |
| 12 | Has the company matured into a slow-growth one? | | |
| 13 | Is the company located in a country that is politically unstable? | | |
| 14 | Is the company causing a major portfolio imbalance? | | |
| 15 | Is the company likely to have increased government regulation? | | |
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