



# BUSINESS REPORT

Date: **1st May 2024**

Business Reference: **34835**

About the Business:

## Top Quality Outdoor Furniture Manufacturer

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A wide range of Outdoor Furniture is manufactured and distributed to wholesale and retail clients. The business is profitable and well managed. Top quality products!

# Top Quality Outdoor Furniture Manufacturer



Sector: **Manufacturing**

Asking Price:

R **6,500,000**

Monthly Profit:

R **234,760**

Asset Value:

R **4,359,070**

Stock Value:

R **1,500,000**

Yearly Net Profit :

R **2,817,120**



# Business Report

## Fully describe the business's activities?

The business manufactures and distributes a wide range of Outdoor furniture.  
They supply products; assembled / flat pack for self assembly.  
The Owner wants to sell 74% share in the business and will still be involved as agreed upon.

## How does the business operate on a daily basis?

Managers open and close the factory daily.  
The production is scheduled as needed - maintenance is performed on a regular basis.  
Orders are prepared timeously for deliveries.

## What Advertising/Marketing is carried out?

Trade shows were attended in the past.  
They have a website.

## What competition exists?

There are other furniture manufacturers in the market - steel and concrete.

## How could the profitability of the business be improved?

Export market.  
Manufacturing of a variety of furniture / products.

## Give a breakdown of staff/ functions/ length of service?

Three Managers.  
The employees are skilled in these fields: receiving, molders, grinders, welders, painters, powder coaters, stock controllers, dispatch, drivers & sales.  
The majority of the employees are loyal and have been working in the factory for several years.

### Do any have management potential?

Yes there are - production side with management potential.

### How involved is the Owner in running the business?

The Owner manages the finances and the daily planning.  
He attends to the factory three / four days a week.

### When does the current lease end?

The rent of the premises is renewed on an annual basis.  
They have rented the premises for the past 25 years.

### What are the trading hours?

Monday to Friday: 07:15 - 16:15..

### What are the main assets of the business?

All manufacturing equipment including the powder coating plant & delivery vehicles.  
Three new delivery vehicles are bought very recently.

### Strengths?

The business is well established.  
The production processes and lay out is neatly in place.  
Solid client base.  
Flexible products are manufactured.  
People skills are tops.

### Weaknesses?

Logistics.

## Opportunities?

Online business can be extended.

## Threats?

Economy.

## What is the reason for the sale?

The Owner is emigrating.