

**business**  
for sale



Date: **5th July 2022**

Business Reference:**35104**

About the Business:

**Excellent, profitable plumbing and sanitary ware business**

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Large plumbing and sanitary ware supply business.

# Excellent, profitable plumbing and sanitary ware business



Sector: **Retail**

Asking Price:

**R 4,500,000**

Monthly Profit:

**R 221,575**

Asset Value:

**R 476,825**

Stock Value:

**R 4,000,000**

Yearly Net Profit :

**R 2,658,895**



# Business Report

## Fully describe the business's activities?

The business is an independent, large plumbing and sanitary ware supplier in a major town in the Western Cape Overberg region, servicing plumbers, builders, architects and the general public.

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

The business trades from large rented premises in the light industrial area of the town, with excellent street frontage and a clean, neat appearance.

## What Advertising/Marketing is carried out?

No advertising or marketing is done: the business has been built on reputation and word of mouth. A marketing program is an opportunity for the business to widen its reach.

## What competition exists?

There are three other plumbing suppliers in the town: two branches of national groups and one branch of a regional group.

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

Placing more emphasis on supporting architects and new build projects.

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

- 1 Manager 24 yrs service.
- 1 Sales person 15 yrs service.
- 1 sales/driver 8 yrs service.
- 1 stock controller 12 yrs service.
- 1 Cleaner 4 yrs service.

## Do any have management potential?

Yes, the current manager has been with the business since inception.

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

Full time.

## When does the current lease end?

2024. Has just been extended by 3 years at an annual escalation of 6%.

## What are the trading hours?

Mon - Thur 7:30 to 17:00;  
Fri 7:30 to 16:30.  
Sat 8:00 to 12:00.

## What are the main assets of the business?

Storage racking and fittings, Vehicles, Computers.  
A full asset register will be made available to qualified buyers.

## Strengths?

Service.  
Staff knowledge.  
Stock holding.  
Relationships.  
Reputation - long established and well known.

## Weaknesses?

Lack of advertising.  
Marketing to more architects.

## Opportunities?

Develop marketing program.  
Start satellite branches in other nearby towns.

## Threats?

None perceived.

## What is the reason for the sale?

The owners wish to retire.