

business
for sale



Date: **3rd July 2024**

Business Reference: **35150**

About the Business:

Franchise Vehicle Service Centre Opportunities KZN.

New Franchise Vehicle Service Centres with projected profits of over R 600,000 p.a.

Franchise Vehicle Service Centre Opportunities KZN.

Sector: **Services**



Asking Price:

R 1,200,000

Monthly Profit:

R 48,734

Asset Value:

R 0

Stock Value:

R 0

Yearly Net Profit :

R 584,803



Business Report

Fully describe the business's activities?

New Service and repair workshop opportunities within a reputable network of 70 workshops countrywide. They specialise in affordable service and repairs of all models of cars and bakkies and are fast becoming one of South Africa's leading car servicing groups. They offer best quality service through conveniently placed workshops throughout South Africa, at affordable prices. It is their vision to become the most recognised and respected brand in the car servicing industry

How does the business operate on a daily basis?

They specialise in reputable, affordable services and repairs of all makes and models of vehicles, using quality parts and highly trained mechanics.

What Advertising/Marketing is carried out?

The Group employs both traditional and non-traditional advertising formats and promotions are rolled out to franchisees on regular intervals. There are various national marketing campaigns done at a Head Office level (Radio, outdoor, print, online, social platforms). Each franchisee pays 2.5% of T/O or a minimum of R5000 towards national marketing on a monthly basis and each franchise will also be responsible for local advertising within their own area via pamphlets etc.

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

Staff normally consists of:

1 x Manager

1 x Receptionist

1x Qualified Mechanic 1x Assistant Mechanic 1 x Cleaner

4-5 Flyer guys

These staff are within the expenses portrayed in the Report

How involved is the Owner in running the business?

Owners are encouraged to be hands on in the management of their branch.

What are the main assets of the business?

For R600 000 (excl VAT), you obtain a turnkey operation, inclusive of a 5-star graded workshop, which is in line with RMI (Retail Motor Industry) standards. Included therein are the diagnostic machinery, tooling, IT, Lifts, furniture, branded gear, full management system & signage necessities.

Strengths?

The Franchise is a leader in the car service industry. They offer competitive prices and excellent service to all of their clients. They are a recognised and trusted brand. Their enthusiastic head office specialists provide the support, guidance and advice franchisees require to run a successful business without stifling their entrepreneurial spirit. Ongoing support and training are provided. Power of group purchasing deals. Business analysis reports are provided annually.

Weaknesses?

No apparent weaknesses.

Opportunities?

To build a loyal and growing clientele within your franchise area to become their preferred service centre. Grow your portfolio into many branches.

The Franchisee can focus solely on their business while head offices take care of the rest in terms of e.g. front office staff training, national marketing campaigns, CRM management etc.

Right to repair came into effect on the 1st July 2021 which enables aftermarket workshops such as Franchisees to service and repair vehicles which are still under warranty. This in turn will open the market extensively for new business.

Threats?

None perceived other than the franchisee not running his/her business effectively and according to franchisor specifications.

What is the reason for the sale?

Franchisor focusing on growing their footprint in the KZN region.