



BUSINESS REPORT

Date: **3rd July 2024**

Business Reference: **35728**

About the Business:

Jungle Gym Manufacturing Business well established in the Garden Route

This business specializes in the design and installation of traditional and custom jungle gyms, play structures in the Garden Route. Other services: - Additions to and maintenance of existing structures - Move and reinstallation of existing structures - Supply and installation of sunken trampolines - Supply and installation/project management of safety flooring/artificial grass - Project management of play areas The

Owner is willing to sell outright or as a partnership with somebody who will handle the day to day operations.

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Sector: **Manufacturing**

Asking Price:

R 450,000

Monthly Profit:

R 16,573

Asset Value:

R 40,000

Stock Value:

R 10,000

Yearly Net Profit :

R 198,878



Business Report

Fully describe the business's activities?

This business specializes in the design and installation of traditional and custom jungle gyms, play structures, fitness trails, and obstacle courses.

Other services include:

- Additions to and maintenance of existing structures
- Move and reinstallation of existing structures
- Supply of DIY elements
- Supply and installation of sunken trampolines
- Supply and installation/project management of safety flooring/artificial grass
- Full turnkey design and project management of play areas
- Specialised school services

How long has the business been established?

5 Years

How long has the owner had the business?

Since inception

What steps are in place to solve 'load shedding' problems?

There is a 7500KVA generator included in the assets so there is no downtime during load shedding.

How does the business operate on a daily basis?

The Owner handles:

1. Marketing and meeting with prospective clients
2. Designing and quoting
3. Ordering/buying materials
4. Transporting materials, tools and installation team to sites
5. Overseeing project to completion (but not on site continuously)

This has become awkward to balance in the afternoons while she also has two young school going children.

How are the clients attracted to the business?

Very focused marketing to the potential client base such as schools, restaurants and other outdoor ventures that may make use of their services.

They have a strong referral and social media presence as well as a dedicated website.

All completed projects are well branded so that the business name is visible to users and others.

What Advertising/Marketing is carried out?

Facebook and Instagram pages:

- Followers on Facebook
- Followers on Instagram
- Excellent reviews on Facebook

Website:

- New customers
- Visits from Google
- Direct traffic

The business sponsors a local sports programme and their logo is printed on all related sports t-shirts and marketing material.

What competition exists?

There are similar businesses but each one has its own niche' market.

This business has its own unique features that are not offered by competitors.

What are the seasonal trends?

As with the trends in this Garden Route region, there is a summer increase with more quiet winter months.

How could the profitability of the business be improved?

The business needs a review of processes and site management to make it more profitable which is the main reason the Owner is looking to sell or to bring in an operational partner.

Due to the demands of managing the growing business as well as looking after her family, she cannot focus on either task fully which results in having to bring in sub-contractors as well as her needing to collect staff earlier from site than necessary in some instances.

A partner or Owner that can commit to being in the field without interruption could certainly ensure cost savings within a number of areas of the business.

Is there Public Liability protection in place?

Yes, there is a public liability policy in place, and the gym equipment complies fully with all safety design requirements.

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

Foreman: Assembling on site and overseeing team (15 years experience in the industry).
1 x Junior Carpenter
1 x General Assistant

What are the main assets of the business?

EQUIPMENT:
- Makita Mitre Saw - LS1040
- Ryobi Circular Saw - RCS
- Ryobi Chainsaw - CS1835
- Makita Drill - HP2050
- Bosch Grinder - GWS700
- Incgo Drill
- Incgo Jigsaw - JS80028
- Stanley Router - SRR1200
- General tools and accessories:
- Hand tools, extension leads, ladders
- Generator - Independent Mobigen - 7500KV

Strengths?

The brand has become synonymous with quality workmanship, unique designs and excellent customer service.

They have built such a reputation for their different and funky designs that people tend to be able to identify a jungle gym as one of theirs just because they are so distinctive.

Weaknesses?

The current weakness is that the Owner is trying to juggle between caring for her two school going children and managing the needs of the business.

Opportunities?

There are many opportunities within the business offering, the most important of which are increased marketing initiatives.

The Owner has family responsibilities that prevent her from visiting more potential clients, and there are numerous opportunities from Schools, Churches, Restaurants, Pre Schools etc.

There is an additional facet to the business that offers a health improvement initiative that also requires focused marketing.

Threats?

There are no known threats to the success of this business.

What is the reason for the sale?

The Owner has shown year on year growth and has an attractive portfolio of satisfied customers.

However, having two young children who require her attention is impacting on the success of the business. She is not able to do justice to the business and would like to relinquish the whole business or at least the operational aspect but assist in the concept and design in the future if required.

The opportunity is there to buy the whole business from her and then utilise her design skills if and when required, or to enter in to a partnership with her.