



# BUSINESS REPORT

Date: **16th September 2025**

Business Reference: **37626**

About the Business:

## Own Largest Laundry Franchise in South Africa

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Discover a profitable investment with South Africa's top laundry and dry-cleaning franchise. Established in 2003 and now operating over 80 stores nationwide, this industry leader offers more than just brand recognition—it delivers proven growth and ongoing support for franchisees. Benefit from a robust franchise model designed for sustainability and long-term success, making it the ideal business opportunity for driven investors looking to join a thriving market. Unlock the potential of a trusted brand

and secure your place among South Africa's laundry and dry-cleaning elite.

## Own Largest Laundry Franchise in South Africa



Sector: **New Franchise Opportunities**

Asking Price:

**R 595,000**

Monthly Profit:

**R 26,249**

Asset Value:

**R 595,000**

Stock Value:

**R 0**

Yearly Net Profit :

**R 314,990**



# Business Report

## How long has the business been established?

The franchise company and brand was established in 2003, and now has 75 x stores trading nationally

The franchise is also recently established in the UK and Ireland.

## How long has the owner had the business?

The owner has been in retail franchising for 30 years and the franchise has been in existence for 22 years

## What is the Franchise opportunity about?

The franchise is the largest laundry and dry cleaning franchise network in Southern Africa. The demand for laundry services has seen an increase in South Africa, with the industry growing at a pace of up to 10% per annum. This growth is driven by factors like busy lifestyles, limited living space, and the convenience of outsourcing laundry tasks, especially with the rise of on-demand services.

## How long has the Franchise group been established for?

Since 2003

## How many existing franchisees are there in the group and for how long have they been operating?

Approximately 50 franchisees, of which some of the franchisees has multiple stores which is a testimony for the success of the franchise and business concept

The different stores have operated from newly opened to 15 years in business.

## In which provinces/ areas are the existing franchisees located in?

The franchise is established nationally in all provinces except Eastern and Northern Cape which is part of the focus area for 2025.

## What is the success of the current franchisees?

As part of a recognised franchise brand, the business benefits from built-in customer trust and credibility—people feel more confident using a well-known, established name brand. This has led to huge success for the current franchisees. Probably the best proof is that a number of the existing franchisees reinvested into the brand with multiple stores.

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

There are no fixed business hours except where the Lessor demand specific hours. Franchisees has to be mindful that many customers bring in their laundry en-route to work and collect same after work. Proposed business hours would be from 7.00 to 17.30. It is also proposed to be open on Saturdays for at least half of the day although it can be on skeleton staff as the washing can be done on Monday

## How are the clients attracted to the business?

Clients are attracted through marketing efforts of the owner as well as national marketing from the franchisor's side.

## What Advertising/Marketing is carried out?

The franchisor has a national marketing fund where for national marketing of the brand nationally. Each franchisee is advised to spend at least 3% of turnover on marketing.

## Does the business have any contract work?

Contract work is a huge upside for the business by contracting Guest Houses, Restaurants, Catering companies, Hostels, students etc

## What competition exists?

There are many other laundromats in the market but they are not franchise driven which is the key to our success. A Brand name create a sense of trust with the consumer

## What are the seasonal trends?

The business model is not really affected with seasonal trends except in tourist associated areas where there is an increase during peak times.

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

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### Does the Head Office assist in securing contracts (if applicable) or is it up to the individual franchisee's to do this?

Head office assist in all aspects with contracts. This not only includes the negotiations of the lease agreement with the landlord but also employment contracts with the employees. The Franchisor even assist to procure the right personnel.

### What advertising and marketing is undertaken on a group basis and what is the individual franchisee expected to do?

The franchisor has a national marketing fund where for national marketing of the brand nationally. Each franchisee is advised to spend at least 3% of turnover on marketing.

### Is the business VAT Registered?

It is assumed that in the first year of trading there won't be a requirement for the franchisee to register as a VAT vendor.

### What VAT documentation is on file?

The Franchisor is registered for VAT

### What percentage of the business is cash/credit?

Most of the income is received via direct deposits, credit card payments or cash. The franchise operates as a cash on delivery business.

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

The profitability can hugely be improved if contracts can be secured with guest houses, restaurants, pubs etc

## Is Seller finance available and for what amount?

No. The franchisee has to have unencumbered cash for 50% of the purchase price. The Franchise Business model has been approved by Nedbank franchise division which will provide a loan to a maximum of 50% of the purchase price

## What is the minimum capital required?

The franchisor is willing to consider applications for the franchise where the potential franchisee has at least 50% of own funding available for the initial setup.

We recommend that the potential franchisee must also budget and provide for the initial cash flow required during the first year of trading.

## How was the forecasted Income and Expenses calculated?

The franchisor provided neat and well drawn up forecasted numbers based on the historical performance of existing outlets.

The Income Statement as per this report reflects the expected Sales / Turnover and Expenses from the 2nd year of operation.

Potential franchisee should expect a tiny profit of around R90 000 during the first 12 months of trading

## What is the total staff complement?

2 permanent staff members and one casual

## Why is this a good business?

Everybody dreams of owning your own business. To be in charge of your own destiny. To be able to earn more than a fixed monthly salary. Sadly its not meant to be for most. There are many reasons for this. Usually it is the price of the business and the start up capital that is needed. The know how and the experience that is needed.

Here is the exception. You can own your own business for R 595 000 excl and you get a turn key business. Turn key in the real sense of the word. EVERYTHING is in place on opening day. From the point of sale equipment and software to the washing machines and training on everything. Branded shop fitting and attractive signage. Even loyalty cards and a shop stamp!! The franchisor even stay by your side for 5 days after opening to make sure everything runs smoothly and assist in ironing out growing pains.

The motto of the franchisor is not to be personal successful. He aims to secure the success of the franchisee which will then automatically secure his own success.

## How are Projected turnovers and profits calculated?

The projected turnover and profits are calculated on real results of other franchisees performance

## What is the Franchise joining Fee?

R 200 000 excl Vat in two payments. First payment on signing the Franchise agreement and the second payment on signing of the Lease agreement.

## What is the monthly royalty, management and marketing fees? Are these fees based on turnover or a flat rate?

The monthly royalty is R 4 000 per month and is not linked to any turnover which is a huge advantage. There is also a R 1 000 fee towards the national marketing fund and a R 400 per month for software support.

## What extra marketing and advertising should a franchise budget for?

The Franchisee should budget at least 3% of turnover for marketing

## What assets are included in the purchase price?

Large capacity heavy duty washing machines and dryers  
State-of-the-art industrial ironing stations  
Point of sale equipment

Not only are the equipment guaranteed by the supplier but the Franchisor also offers a 12 month warranty on all equipment and shop fitting and workmanship from date of store opening.

## Is the franchisor supplying all assets or can the franchisee source these items himself?

As it is a turn key operation all assets are supplied by the franchisor which is the result of his years of experience in the business.

### **Is stock supplied with the initial franchise setup (if applicable?)**

Yes. But also all the necessary start-up stationery and attractive corporate clothing items as well as ready access to professionally designed marketing and promotional materials

### **Will stock purchases be solely from franchisor in the future or can the franchisee purchase from other suppliers?**

Purchases can be done through the Franchisor or through an approved supplier

### **How many staff members are required to successfully operate the franchise?**

Two permanent staff members and one casual worker.

### **What training is provided for new franchisees and staff members? Is there a cost associated with this?**

The franchisee and the staff receive complete training on all concepts of the operation 5 days prior to opening and all costs associated with the training is included in the purchase price.

### **Where will training take place and for how long?**

The staff is trained in the new shop on all the new equipment for

### **What support and backup is offered to the franchisee?**

The franchisee receives full in person support for the first 5 days after opening of the store. Onwards the franchisor gives full support via telephone or electronic meetings but will, depending on the need, gives in-store support.

### **Does the franchise have to be owner operated?**

No

### **What type of premises do a new franchisee require to operate the franchise?**

A premises of about 50 to 80 square meters

### **Can the franchise be operated from home?**

No

### **Will the franchisor assist in identifying or acquiring premises and will assistance be provided with negotiating the lease on behalf of the franchisee?**

Absolutely. Its part of the turn key promise

### **How many franchises will be allocated to each Area/ Province?**

Usually it is one franchise per suburb but differs between Urban or Metropolitan areas

### **Will upgrades to the premises be required and if so how often will this occur?**

When needed

### **What skills and background is the franchisor looking for in a prospective franchisee?**

You do not need any previous experience in the industry. The franchisee need to be business orientated and have a passion to be successful.

### **Is there any industry regulations or licenses needed to operate the franchise?**

No. As part of the turn key project COC certificates etc will be supplied

## Strengths?

- A proven method, with the business support and advantage of being part of an established national franchised brand.
- Credibility when competing for light commercial business or negotiating lease agreements
- A new approach to the look and layout of Laundry outlets, adding a more professional appearance.
- Continuous business support from Franchisor Head Office
- Frequent visits from Head Office Store Relationship Managers to guide owner and re-train staff when necessary.
- On-going research and development by the Head Office in establishing effective cost-cutting measures

## Weaknesses?

- The success of the business is greatly dependent on its ability to meet the laundry and dry cleaning deadlines required by the customers.
- Customer satisfaction is mainly dependent on the skills and attitude of contact staff.
- Security of the cash is dependent on the honesty of the store manager at times when the store owner is not on site
- Walk-in customers usually come from a limited geographic region
- In-coming business is dependent on the customer's ability to make it to the store during the trading hours

## Opportunities?

- The potential exists for expansion i.e. more outlets can be opened by the same owner in the greater surrounds.
- More equipment can be added into the existing laundry for more operational capacity.
- A vast number of construction projects are developing residential apartments, meaning more potential customers for the business.
- The opening of more businesses and establishments namely, guest houses, restaurants, hospitals, prisons, etc increases the list of potential clients

## Threats?

The industry is proving attractive to many investors because of its lucrative scope and many similar businesses are opening up which could result in serious competition and a smaller market share

Death or incapacity of the key member could place a burden on the business.

Changes in labour legislation seem to be favouring the employee more and more, putting stringent controls on the employer.

The improvement of the financial landscape would mean that more people would be able to employ domestic help and eliminate the need to bring their laundry to the retail outlet.

Corporate clients may decide to purchase their own laundry equipment and do their own laundry internally.

### **What is the full purchase price of the franchise (incl VAT)?**

R 684 250

### **What is included in the purchase price and breakdown of various costs?**

Its a turn key project. everything is included from equipment to staff apparel to software and marketing

### **Does the franchisor offer finance?**

No

### **Do any of the Bank or Financial service providers recognises this franchise and will they offer any form of finance?**

Yes. The franchise is accredited with Nedbank's franchise division which will secure loans of up to 50% of the purchase price

### **How many months working capital will the franchisee require?**

Around two to three months. The Franchise turns to positive cashflow by month two or three. Working capital required is about R 100 000

### **When will a franchisee be able to start drawing profits from the franchise?**

Around month 6 to 8

### **How much unencumbered cash is needed from prospective franchisee?**

R 342 125