

**business**  
for sale



Date: **18th December 2024**  
Business Reference: **36257**

About the Business:

## **Tombstone and Monument Manufacturer**

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Since 1989 this facility has manufactured tombstones from natural stone, as well as Monuments and Busts

# Tombstone and Monument Manufacturer



Sector: **Manufacturing**

Asking Price:

**R 3,000,000**

Monthly Profit:

**R 86,291**

Asset Value:

**R 3,852,000**

Stock Value:

**R 500,000**

Yearly Net Profit :

**R 1,035,488**



# Business Report

## Fully describe the business's activities?

Manufacturing of natural stone memorials and monuments.

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

- Customers make enquiries via telephone, Whatsapp, social media or website and sales staff respond with quotes, OR
- Customers walk-in for quotes.
- Manufactured tombstones are either dispatched for installation in cemeteries or customers come and collect from us.

## What Advertising/Marketing is carried out?

Mainly social media with occasional print advertisement

## What competition exists?

Mostly smaller manufacturers

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

Re-open a network of retail branches around KZN.

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

Key factory staff have 10 years plus service each. Finance and Admin employee has 25 years' service.

## Do any have management potential?

Finance and Admin lady can be a Finance Manager. Two in factory can be promoted to a Factory Supervisor.

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

General supervision of all aspects of the business to ensure optimal running although all staff know their roles and business does run on its own.

## When does the current lease end?

July 2027

## What are the trading hours?

Mon to Thu (7:15 to 16:30); Fri (7:15 to 15:30)

## What are the main assets of the business?

Bridge saws, compressors, material handling equipment and polishing machines.

## Strengths?

- Tombstone industry is very resilient driven by black community traditional beliefs.
- Strong brand established in 1989.
- Experienced staff.
- Durable, reliable equipment.
- Prime location of factory.
- Safe and secure. Was not affected by recent floods. Quality workmanship and on time in full delivery.
- Load shedding proof.
- Adequate spare capacity to service large contracts.

## Weaknesses?

- Branches have been closed over the years which has affected Company's solid reputation.
- Too reliant on sales direct from factory.
- Not utilising equipment to full potential in terms of production hrs – currently only about 40% utilization.
- Current owner does not have cash flow to invest in the opportunities below.

## Opportunities?

- Grow a branch network and/or franchises.
- Tender for large contracts eg. Avbob, Doves.
- Allow undertakers to buy on account.
- Marketing campaign to boost exposure.
- Develop Online ordering system.
- Upgrade trucks to newer models
- Tender for government work
- Increase utilization of equipment.
- Open a kitchen countertop division.

## Threats?

- Smaller fly-by-nights cutting prices, doing inferior work and stealing customers deposits hurts the industry.
- Rising interest rates and other costs of living reduces customer disposable income to buy tombstone.
- High unemployment rate.

## What is the reason for the sale?

Tough trading conditions since COVID resulted in the business not accumulating enough cash to purchase the operating premises which was a key objective for the owner. Business needs cash injection to resurrect it back to the leading supplier of tombstones in Durban and take advantage of the opportunities mentioned.