

business
for sale



Date: **23rd November 2024**

Business Reference: **36327**

About the Business:

Food Packaging Equipment and Packaging Importer and Retailer For Sale

This well established, profitable, home-based business imports and sells food packaging equipment and associated packaging material to, mainly, meat processing businesses such as butcheries and similar retail outlets.

Food Packaging Equipment and Packaging Importer and Retailer For Sale



Sector: **Services**

Asking Price:

R 2,000,000

Monthly Profit:

R 81,960

Asset Value:

R 0

Stock Value:

R 250,000

Yearly Net Profit :

R 983,514



Business Report

Fully describe the business's activities?

This business is a well-established and well known in the food processing sector. It is a work-from-home business that has been in operation for over 20 years. The business offers full project management in terms of implementing long shelf-life food solutions for retailers, butcheries and more. It imports and sells CPET trays and tubs which can be used to cook and bake in ovens. These trays enable packing of food in sterilization and pasteurization processes. The business imports tray sealers and fill-seal automatic machines from Europe and Taiwan. It services the machines with experienced local technicians. It supplies sealing film for food packaging. All products are fully certified internationally and locally. It also offers clear PET packaging made in Italy. These items are intended for packing ambient, cold and frozen products. It also imports from the UK, and sells locally, bio-degradable and compostable food packaging

How does the business operate on a daily basis?

It operates from 9.00 to 16.00 during weekdays

What Advertising/Marketing is carried out?

Current digital advertising initiatives target specific markets, such as butcheries and retail stores that have butchery / meat processing departments.

What competition exists?

In terms of packaging machines and sealing film, the business competes as a small entity in the world of giants. In CPET packaging, which is a very up-market product, the business dominates this market in South Africa.

How could the profitability of the business be improved?

Increasing the portfolio of products and services
Employing sales representatives.

What is the total staff complement?

The business comprises three staff.

- the owner
- the personal assistant (who handles bookkeeping, acts as a sales lady for certain lines and performs secretarial duties)
- the cleaner / helper.

Do any receive special perks or incentives?

Xmas bonuses are paid

The personal assistant is paid a travel allowance

Do any have management potential?

No

How involved is the Owner in running the business?

Totally involved

Does the business rent premises?

No, the business is carried out from the owner's premises. The business utilises 70 sqm.

What are the main assets of the business?

The main assets comprise the inventory (packaging material, packaging film and packaging equipment) and debtors

Strengths?

The business is well known in the market

It has unique packaging and up-market products

The company offers reliable, low cost packaging machines imported from Taiwan which gives it a competitive advantage

Weaknesses?

The packaging products sold are relatively expensive compared to other competing products in the market
Certain stock is not held because suppliers require MOQ (minimum order quantities)

Opportunities?

Additional investment is required to take advantage of the following opportunities:

- Aluminum food trays – becoming popular
- A local manufacturer, with whom the company has a relationship, is in the process of entering the market which will provide an opportunity for further business growth.
- Increasing the working capital will allow for increased stockholdings in order to target medium and small potential customers.

Threats?

Competition is the main threat

What is the reason for the sale?

The owner wishes to retire

Why is this a good business?

The business has a successful track record of over 20 years of trading and has an excellent name in its sector.
The business has products of excellent quality, some of which are unique.
It can be run from home with a small support staff