

business
for sale



Date: **3rd July 2024**

Business Reference: **36446**

About the Business:

Reputable, well established panel shop for sale

For sale is a reputable, well-established panel shop with a proven track record of delivering exceptional automotive repair services. This thriving business boasts a loyal customer base, state-of-the-art facilities, and a skilled team of certified technicians. With a history of successful projects and satisfied clients, it has consistently demonstrated high-quality workmanship, efficiency, and adherence to industry standards. The shop is equipped with cutting-edge technology, fostering productivity and ensuring a competitive

edge. This turnkey opportunity offers a solid foundation for a new owner to step into a lucrative and respected business, capitalizing on a legacy of excellence in the automotive repair industry.

Reputable, well established panel shop for sale



Sector: **Services**

Asking Price:

R 7,050,000

Monthly Profit:

R 280,200

Asset Value:

R 3,243,423

Stock Value:

R 350,000

Yearly Net Profit :

R 3,362,400



Business Report

Fully describe the business's activities?

This business is a fully equipped and established panel beater servicing both conventional and commercial categories of auto body repairs. Pricing is regarded as competitive and they are SAMBRA accredited.

It is regarded as more than just a repair facility. An established brand complimented by customer centric staff and an experienced technical staff set enjoying the benefits of a suitably and professionally equipped workshop

Whether it's a classic car needing a restoration, modern and conventional vehicle requiring collision makeovers or the cleaning up of commercial damaged, this business has the expertise to restore them to their formal glory

How does the business operate on a daily basis?

Inventory and Ordering:

The shop maintains a limited stock of frequently used parts like filters, bulbs, and basic body repair materials.

Most parts are ordered on-demand based on specific customer needs and vehicle requirements. This streamlines inventory management and reduces overhead costs.

Repair Process:

Booking:

The shop prioritizes direct bookings with customers rather than handling third-party claims. This allows for more control over the repair process and eliminates potential complications with insurance companies.

Customers book their vehicles in for repairs, often in collaboration with their insurance companies.

Assessment and Estimation:

The technicians thoroughly assess the damage, identifying all necessary repairs and parts required.

Based on the assessment, they create a detailed repair estimate for the customer's approval.

Repair:

Once approved, skilled technicians perform the necessary repairs, including:

Panel beating: This involves shaping and straightening damaged metal body panels.

Welding: For more extensive damage, specialized welding techniques might be used.

Preparation and Painting: The repaired area is prepped for painting, followed by applying a high-quality, color-matched finish in the spray booth.

Quality Control and Delivery:

The repaired vehicle undergoes a rigorous quality control inspection to ensure it meets the highest standards.

Once everything is approved, the customer is notified, and the car is ready for pickup.

Additional Notes:

Established relationships with reliable parts suppliers for efficient ordering and delivery.

Depending on the complexity of the repairs, the turnaround time can vary. The shop might offer loaner car options or keep customers informed throughout the process.

What Advertising/Marketing is carried out?

Word of Mouth:

Satisfied customers sharing their positive experiences with friends, family, and colleagues has become a powerful form of advertising for this business. A 30+ year history suggests a strong track record of delivering quality work and customer satisfaction, leading to positive word-of-mouth recommendations.

Operating for over 3 decades likely establishes the shop as a trusted and reliable option within the community. This reputation attracts clients seeking a familiar and established business.

Positive interactions with staff and friendly customer service can encourage word-of-mouth recommendations and build trust within the community.

30+ Year Footprint:

A long-standing presence suggests accumulated experience and expertise in handling various repair situations. This can attract clients seeking skilled and knowledgeable technicians.

Operating for over two decades signifies stability and reliability, attracting clients who value a business with a proven track record and are less likely to close down unexpectedly.

A long-standing business might be involved in local events or sponsorships, creating a positive image and attracting clients who value community engagement.

Additional factors:

Ultimately, the quality of repairs and customer service is the most important factor in attracting and retaining clients. Competitive pricing and offering good value for money can attract clients and encourage repeat business. Location, operating hours, and additional services like pick-up/drop-off options can attract clients seeking convenience. Having a website, positive online reviews, and active social media engagement can attract clients searching for repair services online.

By leveraging its strong reputation built over 30+ years and fostering positive word-of-mouth referrals, this panel-beating shop can continue to attract new clients and maintain a successful business.

What competition exists?

Plenty of competition but they are differentiated through their quality workmanship and established brand

Is the business VAT Registered?

Yes.

Are there up-to-date Management Accounts available?

Yes.

How could the profitability of the business be improved?

By Obtaining more Appraisals.

On-boarding of previous customer, lost due to relationship breakdown. Definite negative impact on the loss of this supplier. The relationship can easily be built up under the guidance of the seller to previous levels.

Creating engaging content showcasing their expertise, satisfied customers, and community involvement can expand their reach and attract new clients seeking transparency and a modern touch. By combining trusted word-of-mouth with social media's engagement power, their position can be solidified and a wider audience can be attracted.

Is Seller finance available and for what amount?

It would be considered, not ideal but will review and make decision based on structure.

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

Director (Pty)

Receptionist

Bookkeeper - Accounting to TB

Insurance Clerk - Administrative

Estimator - highly skilled with experience

20 x Order - Workshop

2 x Remote Staff

Do any have management potential?

The Estimator is the most Qualified.

How involved is the Owner in running the business?

Part of the everyday operations of the business. Important to be hands on to drive relationships with both customers and suppliers.

When does the current lease end?

The property is owned by the seller. Prospective purchasers may negotiate to purchase the property

Estimated selling price in the order of R11,000,000

Measurements = Approx. 1,800 Square Metres. Additional details available on request

What are the trading hours?

Mon-Thurs - 07h30-17h30

Friday - 07h30-17h00

Weekend work allocated to private jobs when necessary

What are the main assets of the business?

Equipment - +- R4,000,000 - Measuring Equipment, Lifts, Wheel Alignment post, Compressor etc.

4 x Courtesy Cars

Tow Truck

Strengths?

Age of business

Quality workmanship

Customer Service orientated

Customer Retention

Customer centric

Well Established and reputable

Weaknesses?

Prices could be uplifted to increase margins

Opportunities?

Increase the towing arm of the business should one wish to enter that market

Rebuilds are popular. Increase exposure to this market.

Trade Work - Not Feasible

Re-establish contracts with local Dealerships

Threats?

While not really a threat due to this established business, the many competitors in the trade does have an impact,

What is the reason for the sale?

Time to exit the industry after many loyal, hard-working, and long hours.

In addition to this the owners are also looking at exploring other opportunities and businesses they're involved in.