

business
for sale



Date: **17th May 2022**

Business Reference: **33838**

About the Business:

Chemical manufacturer and retailer for sale in Pretoria

Both industrial and household markets are provided for by this well established manufacturer in Pretoria.

Chemical manufacturer and retailer for sale in Pretoria



Sector: **Manufacturing**

Asking Price:

R 7,750,000

Monthly Profit:

R 214,603

Asset Value:

R 5,428,116

Stock Value:

R 2,000,000

Yearly Net Profit :

R 2,575,241



Business Report

Fully describe the business's activities?

This business is a manufacturer of industrial and household chemicals and also supplies cleaning equipment, products and paper. It also has a retail outlet.

How does the business operate on a daily basis?

It operates 8 hours per day during the week, 4 hours on Saturday and is closed on Sundays

What Advertising/Marketing is carried out?

Digital marketing (Google and Facebook)

What competition exists?

There are a number of competitors addressing the same market segments

How could the profitability of the business be improved?

It could be further mechanised and automated.

The ability to tender for government and large corporate contracts will make a significant difference

Grow the distribution network into the rest of the country

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

The breakdown of staff:

- Management and administration 7
- Sales 3
- Retail sales staff 3
- Maintenance 1
- Production 8

Average length of service is 8 years

Do any have management potential?

Yes

How involved is the Owner in running the business?

Daily.
Overall management of the business with specific focus on production, sales and maintenance.

When does the current lease end?

30 June 2020

What are the trading hours?

07.30 to 16.30 Monday to Friday, Saturday 8.30 to 12.30 and closed on Sundays

What are the main assets of the business?

Intangible - chemical formulas / recipes
Tangible - plant, office equipment, furniture and fittings and vehicles

Strengths?

The business is SABS ISO9000/15 certified
It is a business that has been trading successfully for 28 years
Very strong brand in the industry
Quality products
Strong staff complement

Weaknesses?

BEE rating is not optimal and the business is not able to compete effectively for government and large corporate business

Opportunities?

Additional retail outlets can be opened
The BEE rating is currently Level 3. A higher level will provide significant additional sales and tender opportunities.

Threats?

None

What is the reason for the sale?

The owner is retiring