

business
for sale



Date: **3rd July 2024**

Business Reference: **36628**

About the Business:

Paint wholesalers

Trade Paint wholesalers

Paint wholesalers



Sector: **Retail**

Asking Price:

R 9,800,000

Monthly Profit:

R 345,439

Asset Value:

R 1,044,000

Stock Value:

R 1,200,000

Yearly Net Profit :

R 4,145,262



Business Report

Fully describe the business's activities?

The business is a genuine paint specialist, selling only paint and sundries directly linked to paint. A very comprehensive product range is stocked, together with a large stockholding. In its 27th year of trading in Johannesburg, the business is one of the largest single-drop paint outlets in the country. The main activity is wholesaling Decorative paint to the Trade and Maintenance markets.

How does the business operate on a daily basis?

Mondays to Fridays 07h30 to 17h00.
Closed on week-ends and Public Holidays.

What Advertising/Marketing is carried out?

Company web-site.
No other advertising / marketing is done to attract the Wholesale customer profile which is sought.

What competition exists?

Major competitors are other manufacturer-appointed outlets of which there are very few in the greater Johannesburg area.
Whilst any paint outlet, including retail shops, may be considered as indirect competition, they are specifically positioned to attract retail customers and are not able to offer the same competitive prices, record-keeping, technical advice nor level of service.

How could the profitability of the business be improved?

By securing new, additional customers who fall within the target market of the business - schools, hotels, hospitals, contractors, shopfitters, etc.

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

4 Sales Consultants are employed, two of whom have over 15 years service.
6 Operations Staff are employed, comprising Tinters, Drivers and General Assistants, two of whom have over 20 years service.

Do any have management potential?

No - all employees are extremely proficient at their jobs, well trained, highly skilled and highly motivated, however, none were recruited for, nor have management potential.

How involved is the Owner in running the business?

Both owners of the business are actively involved full time in running the business.

When does the current lease end?

31/10/2025

What are the trading hours?

Mondays to Fridays 07h30 - 17h00
Saturdays Closed
Sundays Closed
Public Holidays Closed

What are the main assets of the business?

Stock
Furniture and Fittings
2 Delivery Vehicles
Intellectual Property relating to customer records managed and retained through bespoke computer systems.

Strengths?

Skilled knowledgeable staff with excellent length of service
Customer service / reputation value
Bespoke computer systems securing customer records - Intellectual Property
Financial strength, debt free
Regulatory compliance

Weaknesses?

- Low E-Commerce visibility
- Low online presence / management
- Lack of new revenue growth methods

Opportunities?

- Expand social media presence
- Work with industry influencers
- Adjacent markets to tap into
- Develop methods of securing new business

Threats?

- Changing regulatory environment
- Supply Chain challenges
- Rising material costs

What is the reason for the sale?

The two owners of the business, who founded and created the business, are getting older and now want to retire.
Operating the business is not as enjoyable for them as it used to be.