

business
for sale



Date: **1st September 2024**
Business Reference: **36263**

About the Business:

Plumbing services - top rated - priced to sell

Exceptional opportunity for a entrepreneur This business is managed by a husband and wife team from home Cost efficient business model Immediate opportunity to expand

Plumbing services - top rated - priced to sell



Sector: **Services**

Asking Price:

R 1,375,000

Monthly Profit:

R 52,345

Asset Value:

R 884,458

Stock Value:

R 25,000

Yearly Net Profit :

R 628,134



Business Report

How does the business operate on a daily basis?

Their highly skilled team of professionals have adapted a hands-on approach with their clients from consultation to final services; thereby ensuring services are to the highest of standards.

They have a drive for excellence - for fast, reliable services from installations, repairing, maintenance and beyond

The business pride themselves to have open communication with clients - they are going the extra mile to ensure the even tiling / ceilings and paving are repaired by approved subcontractors on the request of the client

The owner is picking up the employees at 07:00am

Job cards are discussed and teams are dispatched

The normal working day conclude at 16:30, overtime rates apply from 17:00pm onwards to both clients and employees

What Advertising/Marketing is carried out?

Google Ads

Facebook Ads

WhatsApp Ads

Local newspaper advertising

Networking within the local business community

What competition exists?

There are long existing plumbing companies in the city - many can be considered as competition

However the competition all many work in different fields and areas - there is abundant work available

Since this plumbing business is "top rated "" in the city - there is a constant inflow of enquiries and the owner often have the luxury to decline work

How could the profitability of the business be improved?

An extra team can be established to increase the business's profitability and to ensure all areas of plumbing is handled timely

Currently (3rd quarter of 2024) the business is very busy - and a 3rd team is need eminently

Brining a new division within the company such as offering electrical and solar solutions

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

Master Plumber - 15 years in business

Lead Plumber - 13 years with business

Lead Plumber - 5 years with business

Assistant 1 - 7 years with business

Assistant 2 - 4 years with business

The wife of the seller is currently managing the bulk of the admin functions from a home office

In the event of staff turnover - the seller is always in contact with skilled individuals who are looking for job opportunities (Applicants' CV are kept on file) There is a local skills development platform are always looking or job opportunities for student artisans as casuals

Do any have management potential?

Yes, if guided accordingly

How involved is the Owner in running the business?

Full-time managing and controlling stock/quality control/customer relations and follow-up/marketing/visiting sites

The new owner does not need to BE a plumber - but would need to be able to manage people/productivity/costing / understand the basics of the service industry

What are the trading hours?

Mon - Tues 07:00am to 16:30pm

Sat 08:00 to 13:00pm

Sunday/Public Holidays: By Appointment

Overtime costs applicable thereafter for emergencies

What are the main assets of the business?

2018 Toyota Quantum 2.5 Crew cab

Specialised Drain Equipment

Tools and materials

Strengths?

- Recession proof
- Skilled & experienced teams
- Wide range of plumbing services offered
- Strong relationship with suppliers
- Positive word of mouth referrals
- Well established relationship with clients
- Known for Quality over quantity
- Constant flow of income
- Reputation is high, ranked #1 on Google
- Special supplier costings
- Special attention to details - exceeding expectations

Weaknesses?

- Limit marketing budget
- Reliance on local client bases
- Limited online presence
- Insufficient staff during peak demands

Opportunities?

- Expand with more teams
- Drain Team / Maintenance Team/ Insurance Team
- Maintenance contracts for drains can be drawn up (hotels/guest houses/restaurants)
- Consider to add an electrical team (domestic only) as this can generate further profits to the business and open the company to a new field of growth like solar
- Inferior plumbing parts and components are used by building contractors --- this increase the relevance and need for quality plumbers in the market place !

Threats?

- Price increase on materials - there has been a large rise on materials which impacts the overall price to clients which can result in losing clients
- Quitter months months in the trade are unavoidable

What is the reason for the sale?

This trade has a lot of time constrains on the seller with a young family - they are considering relocation and possible emigration