



Date: **1st September 2024**

Business Reference: **36782**

About the Business:

OFFER PENDING. Avocados plus allied products retailer in Garden Route.

OFFER PENDING. Sales and marketing and distribution of high quality avocados and allied products. Relationship between the supplier and the retail outlet ensure continuity of supply of top quality merchandise with a loyal and strong customer base. Easy to manage business with congenial working hours and conditions, would ideally suit a semi-retired couple who wish to remain active and generate a

fair income. Opportunities for product additions, especially within the high-end quality offering and unique consumables. Opportunity to increase the outlets within the Garden Route region and act as the hub outlet for supply.

OFFER PENDING. Avocados plus allied products retailer in Garden Route.



Sector: Retail

Asking Price:

R 1,100,000

Monthly Profit:

R 36,692

Asset Value:

R 26,000

Stock Value:

R 95,000

Yearly Net Profit :

R 440,309



Business Report

Fully describe the business's activities?

This business markets and distributes predominately avocados, as well as added value products such as oils, pickles, guacamole, nacho's and other sundry food items.

Strong use of social media impacts positively on sales.

Suppliers of ripe avocados all year round, direct to consumers as well as to the restaurant trade.

How does the business operate on a daily basis?

One partner oversees the store operation and makes use of a sales assistant when required.

The second partner owns the farm that supplies the bulk of the stock.

The product is also sourced through other suppliers if or when the need arises.

The retail store sells direct to the public, and also markets a range of allied products.

What Advertising/Marketing is carried out?

Media marketing as well as promotional activity locally.

What competition exists?

There are similar operations locally, and product sold by retail outlets but this brand has its own strong following.

How could the profitability of the business be improved?

The retail outlet is an ideal space to add in high end fine food products that are synonymous with the core product range.

The opportunity exists to develop this branch as a hub to supply stock to other retail outlets trading under this brand.

The brand owner is prepared to offer this consideration subject to negotiation.

There is an opportunity to increase the number of stores in this Garden Route region from the current one to possibly 4 or 5.

How involved is the Owner in running the business?

One partner ensures continuity of supply of high quality product from source (Limpopo)

The second partner manages the retail store and local distribution.

When does the current lease end?

October 2024 but will be renewed as per negotiation.

What are the trading hours?

Mondays to Fridays: 09-00 to 5-00pm

Saturdays: 09-00 to 1-00pm

Closed Sundays and Public Holidays

What are the main assets of the business?

The shop fittings are in line with the image are rustic and basic, as this business does not require high end shop fittings or livery.

Off-site cold storage and distribution by a third party assist the retail store by delivering stock as they require.

Strengths?

Very strong market presence and brand awareness associated with excellent quality of product

Established customer base and an extremely active and professional digital presence

Diverse product range of allied products which can be added to without any negative impact.

Weaknesses?

As with most Garden Route businesses the seasonality must be considered with the financial impact of the business.

Opportunities?

Marketing activities to secure more restaurants and other outlets for the products

Open additional stores under the brand by license in conjunction with the farm owner/supplier

Threats?

The business can be impacted by market fluctuations although this is a rare occurrence

Supply chain management must be monitored at all times

What is the reason for the sale?

One of the partners wishes to emigrate to the USA and has therefore decided to place the business onto the market

This will not impact supply of product.