

business
for sale



Date: **24th November 2024**

Business Reference: **36718**

About the Business:

Shadeports and Custom Shade Solutions - Manufacturers and Installers - 15 Years of Excellence

Shadeports are a much more affordable solution to a permanently fixed carport making it the ideal solution for the South African market. The business services residential, corporate, and agricultural markets and has installed more than 25 000 shadeports since inception.

Shadeports and Custom Shade Solutions - Manufacturers and Installers - 15 Years of Excellence



Sector: **Manufacturing**

Asking Price:

R 2,200,000

Monthly Profit:

R 81,554

Asset Value:

R 0

Stock Value:

R 200,000

Yearly Net Profit :

R 978,649



Business Report

Fully describe the business's activities?

The business specializes in designing, constructing and installing shadeports. Shadeports are cost-effective and attractive alternatives to conventional carports. The company specialises in fixed shade ports, semi-cantilever, cantilever, custom ports, DIY ports as well as agricultural tunnels. They are the market leaders and have installed more than 25,000 shade ports to date.

How long has the business been established?

Since 2009

How does the business operate on a daily basis?

The company uses a lead generation service that forwards leads to the office staff. The office staff follow up with clients and screen the leads before passing them to the sales representatives to book appointments. However, some leads are converted to quotations based on photos or specifications provided by the customer. Once a quotation is accepted, the client makes a 50% deposit, and the project is allocated to the factory manager. The factory manager ensures that the product is prepared for installation as planned by the owner.

The owner prefers to handle the planning to ensure accuracy and cost-effectiveness. The typical turnaround time from deposit to installation is about a week, but it can extend to three weeks during the summer. The installation staff, who have been with the company for years, handle all installations independently. After installation, the owner receives photos of the completed work, and the office typically follows up with the client.

What Advertising/Marketing is carried out?

The business has a well-established website.
Google ads.
Social media pages - outsourced to a specialist company.

What competition exists?

There are various competitors in the market.

How could the profitability of the business be improved?

Introduce canvas solutions and installations, there is lots of synergy between the two.
Approach property development companies for SLA agreements.

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

2 x Admin ladies.
5 x fabricators (workshop staff)
6 x installers (2 teams)
1 x senior installer who can lead a temporary team in pressure times.
The average length of service is roughly 6 years.

Do any have management potential?

Yes the admin staff as well as the factory manager. The owner resides in George and staff do not have to be micro-managed.

How involved is the Owner in running the business?

Remotely on a daily basis.

When does the current lease end?

The owner is the landlord. A new 2-year lease agreement will be signed with the owner. The lease expense has been provided for in the financials.

What are the trading hours?

Mon - Fri: 7:00 - 17:00

What are the main assets of the business?

A full asset list will be provided to serious buyers.

Some of the items include:

- Carpet Cutting Table
- Net Shelve
- Net Shelve
- Net Receiving Shelve
- Sewing Machine
- Sewing Machine
- Cable Stand
- Soldering Iron
- White Board
- Bulk Steel Storage
- Steel Shelve
- Sheeting Shelve
- Working Table
- Table Vice Grip
- Cutting Section
- 405 Cut off
- 350 Cut off
- Cut off table
- Pre Cut Storage shelve
- Welding Section
- Welding Machine
- Welding Machine
- Baby Grinder
- Baby Grinder 2
- Working Table
- Drill Press
- Drill Press 2
- Welding Table
- Teral Bottles
- Angle Grinder

Strengths?

15 years of trading experience.

Staff that can work independently.

Over 25 000 installations.

Relevant product for the African market.

Cost-effective solutions.

Weaknesses?

Heavily influenced by seasonality.

Opportunities?

Introduce canvas solutions.

Threats?

None perceived.

What is the reason for the sale?

The owner has relocated to George making oversight difficult. He is also pursuing business ventures in Central Africa.

Why is this a good business?

Well established with years of goodwill which is not connected to the owner in any way. In a country like South Africa where extreme temperatures occur, this product will always be needed.