

business
for sale



Date: **16th October 2024**
Business Reference: **36861**

About the Business:

Importer of catering equipment

Supplier to major hotel groups, guest houses and restaurants. Quality product range from overseas with long standing relationships within the entertainment industry.

Importer of catering equipment



Sector: **Retail**

Asking Price:

R 706,000

Monthly Profit:

R 20,868

Asset Value:

R 225,395

Stock Value:

R 394,000

Yearly Net Profit :

R 250,413



Business Report

Fully describe the business's activities?

This business imports modern and exclusive sets of crockery and cutlery for catering business such as Southern Sun hotels, other 5 star hotels, restaurants, guest houses and well known wealthy clients. The product ranges are stored in a showroom/stockroom. Orders are placed based on upmarket brochures and the latest designs from Brazil, Europe, U.K. and Australia. Hotels such as the Southern Sun group are major clients of this business.

How does the business operate on a daily basis?

There is a relationship with all major clients and once the consumers have seen the latest designs and orders are placed, the stock is ordered from overseas. There is also a "local" range of crockery supplies that are presented to the local client base. Pre season peaks, such as Christmas, Easter and other celebratory days such as Mother's Day Women's Day, increases orders being placed.

What Advertising/Marketing is carried out?

There is no website, but this would enhance the exposure of new ranges from overseas suppliers. A new owner might want to create a website as this would enhance the business.

What competition exists?

Local product suppliers do not have the overseas connections and provide only locally manufactured product ranges.

How could the profitability of the business be improved?

Create an updated website that is refreshed on a regular basis.

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

n/a

Do any have management potential?

n/a

How involved is the Owner in running the business?

See above. All operational aspects of the business is handled by the husband and wife, including deliveries.

When does the current lease end?

To be revealed at due diligence stage

What are the trading hours?

Normal weekday hours, but if a client wants a delivery over the weekend then this will be arranged and activated.

What are the main assets of the business?

A magnificent showroom with updated products is in a separate space next to the office. Shelving and racking and a delivery van. The assets value excluding stock is R160000.00

Strengths?

Very well known in the hospitality industry for top quality imported products. Hotel groups, restaurants and guesthouses are the main clients

Weaknesses?

Fluctuating exchange rates.

Opportunities?

An expansion of National markets would grow the business.

Threats?

Nil The hotels and regular client base has a history of supporting this company for over 11 years.

What is the reason for the sale?

The owner was recently in hospital with a serious heart condition and could not operate in the business for a few months. Owners wish to retire now.