

business
for sale



Date: **28th October 2024**
Business Reference: **36933**

About the Business:

Are you in the road transport industry?

Huge opportunity for a professional road transport industry operator. Investment required.

Are you in the road transport industry?



Sector: **Services**

Asking Price:

R 2,500,000

Monthly Profit:

R 36,302

Asset Value:

R 9,176,388

Stock Value:

R 0

Yearly Net Profit :

R 435,622



Business Report

Fully describe the business's activities?

The business is focused on bulk transport, either through subcontracting other transport suppliers or providing its own transport service.

How does the business operate on a daily basis?

The business responds to customer demand. Orders to transport bulk materials, ranging from steel to fruit, are received and executed either through a subcontract arrangement or by the business's own vehicles.

What Advertising/Marketing is carried out?

Word of mouth recommendation is the primary driver of new business as the owner has been established in the transport industry for many years and has an excellent reputation. The owner is aided by a marketing team focusing on new business development, continuous prospecting and follow up.

What competition exists?

The major national and international transport and logistics operators are all seen as competitors.

How could the profitability of the business be improved?

A higher proportion of vehicles owned would boost profitability

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

1 x Operations manager
5 x Drivers
10 x Transport, Administration and Marketing personnel

Do any have management potential?

Yes

How involved is the Owner in running the business?

100%

When does the current lease end?

There are premises on the East Rand and Welkom,

What are the main assets of the business?

5 x 34 ton Volvo flat and taut line vehicles
tools
1 x Nissan NP 200
1 x Hyundai Atos
1 x MB CLA

Strengths?

Strong marketing, operational and technical skills base
Well established brand with strong track record
Capital base leverage for expansion
Contracts with established clients
Experienced and skilled human resources
Well developed client base across a balance of industries

Weaknesses?

Lack of experience in structuring asset finance

Opportunities?

Pent up transport demand due to competitor business closures
Stronger asset management will boost profitability

Threats?

Economic cycle

What is the reason for the sale?

An investor is sought with capital and skills to fulfil a senior management role to assist in further growth of the business