



Date: **21st November 2024**
Business Reference: **36921**

About the Business:

Great opportunity in the textile industry

Established textile manufacturer with a proven track record and a large client base is for sale. This is a turnkey operation with proven management looking for a new owner to add their vision to an already successful business.

Great opportunity in the textile industry



Sector: **Manufacturing**

Asking Price:

R 5,250,000

Monthly Profit:

R 447,637

Asset Value:

R 1,778,016

Stock Value:

R 535,540

Yearly Net Profit :

R 5,371,649



Business Report

Fully describe the business's activities?

The business is a mesh fabric manufacturer of knitted apparel fabrics. The primary business is the manufacture and supply of apparel and garment fabric for corporate, fashion, promotion, school and safety clothing manufacturers. The company also carries stocks of customer fabrics under certain conditions. Besides manufacturing, the company can design and produce fabric to customer's specifications. The company is highly regarded for its quality control and attention to detail, ensuring that fabrics always meet customer specifications.

How does the business operate on a daily basis?

The business is a supporter of local businesses. Staff is well trained and report to an established management structure consisting of a Floor Manager, Administration Manager and a Production Manager. Orders are received, costed, quoted and produced. Particular attention is paid to quality control and on time delivery.

What Advertising/Marketing is carried out?

As above

What competition exists?

There is minimal local competition.

How could the profitability of the business be improved?

Greater awareness generation aimed at the client base will yield short and long term benefits

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

The Admin Manager is responsible for all administrative functions
The Floor Manager is responsible for stock control, order processing and dispatch
The Production Manager is responsible for production of orders

The remainder of the staff are involved in production and admin roles

Do any have management potential?

To be discussed with an approved buyer

How involved is the Owner in running the business?

Current owners are fully involved in running the business, albeit not always on site as they now live in coastal locations

When does the current lease end?

The premises are owned by the manufacturing company owners and partners. Lease is negotiable. Alternatively the existing premises could be bought.

What are the trading hours?

Regular working hours except in special circumstances

What are the main assets of the business?

Main assets of the business are:

Plant & Machinery

Office equipment

Brand Name

Client contact list and history

Company vehicle

Motor vehicles? Please advise

Solar system?

Strengths?

Well established brand in a vertical market

High barriers to entry

Well trained and productive workforce

Proven management gives owners flexibility of location

Options exist to customise the terms of the sale to meet a buyers needs

Weaknesses?

No weaknesses beyond vulnerability to the economic cycle

Opportunities?

New impetus behind local textile manufacture as a result of a change in DTIC policy

Threats?

Cheaper imports increasing market share

What is the reason for the sale?

Owners have relocated to the coast and wish to pursue new horizons