



Date: **15th January 2025**Business Reference: **37085** 

About the Business:

# Manufacturer of aromatherapy infused products for the Beauty industry and personal home use

Relaxation is in the hands of a well stocked professional. For 15 years this manufacturer has been carefully formulating, producing and suppling luxury aromatherapy based products to the beauty industry and personal home care. This rewarding labour of love was once a small, one man show but is now perfectly positioned to expand in current and untapped markets and grow to its full potential.

# Manufacturer of aromatherapy infused products for the Beauty industry and personal home use



Sector: Manufacturing

Asking Price:

R 608,000

**Monthly Profit:** 

R 29,842

Asset Value:

R 6,368

Stock Value:

R 212,334

Yearly Net Profit :

R 358,103



# Fully describe the business's activities?

Manufacturing of aromatherapy-based heatable wheat products and various products for the beauty industry and personal home care. Sell primarily to spas, beauty salons, pharmacies, health shops and physiotherapists. Retail sales are via online website and various retail stockists.

#### How does the business operate on a daily basis?

Orders come in by email, telephone or WhatsApp. Retail orders via email from the online store. Staff make up the orders, book the courier and despatch to the customers nation-wide. Staff make products for stock, conduct stock counts, and maintain the work area. A key function of the owner is ensuring adequate supplies of raw materials, packaging materials and to procure the necessary materials in a timely manner to avoid any production delays. The owner also does marketing and sales, follows up on sales, daily banking, processes invoices, and overseas the operations.

# What Advertising/Marketing is carried out?

Sales agent in Johannesburg and one in Durban, and a Distributor in Gqeberha. Currently looking for an agent in Cape Town and liaising with a possible agent in Botswana. Advertising is done on Facebook and Instagram, posting on social media platforms is done regularly. Distribution of an electronic newsletter to some 500 email contacts twice a month promoting products with special offers.

Host training events once or twice a year.

## What competition exists?

There are a number of cheaper wheat bags available at various outlets, often flea-markets, however they do not have the quality process that this business employs and are mostly focused on individual use, whereas this businesses focus is on the beauty industry and products are for salon use and must therefore be more robust and of a higher quality.

# How could the profitability of the business be improved?

Increase the sales by appointing an agent in the Western Cape. Building a client base outside South Africa in United Arab Emirates, Qatar or Mauritius would be beneficial with the currency exchange rate being favourable for exports. Having sewing done in-house may be more cost-effective than outsourcing this function

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

Manager/Owner - joined Nov 2011

Functions:

Handles orders from customers, processes invoices, procurement, sales, and oversees production.

Handles all procurement, and logistics with outsource partner.

Customer management.

Makes aromatherapy products.

Social media marketing and electronic newsletters.

Financial management and liaises with Accountant.

HR management

Production Assistant 1 – joined Aug 2019 (works 2 days a week)

Production Assistant 2 – joined May 2024 full time, prior to this worked on a casual basis from Aug 2023

Current working hours 8am to 4.30pm

Same Functions for both:

Make up products.

Package and label products.

Print bar codes for each product.

Dispatch orders according to the Delivery Notes.

Book the courier online and notify customer by email.

Answer the phone if manager not available and take messages.

Assist any customers collecting their orders.

Write out receipts for cash orders.

Assist the couriers when they deliver and note goods in the Goods Received Book.

Advise Manager when stock is running low.

Make some aromatherapy products according to the recipes (under supervision).

Conduct weekly stock counts.

Clean the office and factory area.

## How involved is the Owner in running the business?

Fully involved

#### When does the current lease end?

Operating from Owner's house

## What are the trading hours?

Business is conducted online and via email with no walk-in customers, so trading hours are flexible.

## What are the main assets of the business?

4 x Swivel Office Chairs (1 Black, 2 Green/Black, 1 Green)

3 x Office Desks 1200mm (Dark Wood)

2 x Wooden Chairs with Leather Seats

Large Dark Wooden Work Table (Damaged Legs)

Credenza (Hanging files)

Tall Wooden Oak Book Shelf

Small Wooden Veneer Top and Steel Legs Table

Small Light Wooden Veneer Desk (No Drawers)

White Wooden Ladder Shelf

Small Dark Wood Table with Small Drawer

Kiaat Wooden 2m Table

Defy Bar Fridge

Steel Industrial Shelving (2 units)

6 x White Steel Chairs

4 x White Fold Up Chairs

Cardboard Stand Mock Up Point of Sale Shelving Unit

Desktop PC - Extra Spec with Monitor and Keyboard

Desktop PC - with SSD, Monitor and Keyboard

Desktop PC - with SSD, Monitor and Keyboard

Netgear Router

HP Deskjet 3630 Printer (White)

10 x Shelving Units

Steel Desk Guillotine

Heat Seal & Shrink Wrap Machine

**Knitting Machine** 

Janome Sewing Machines

Singer Sewing Machine (No Cabinet)

**E&R** Sewing Machine

**Brother Sewing Machine** 

Steel Paper Towel Dispenser

Steel Trolley

Heavy Bench Scale

Electronic Scale

Glass Measuring Pipette

2 x Branded Wall Posters

Branded 3m Table Cloth

White Board Planner (Small)

White Board Magnetic (Large)

Microwave, Kettle, Toaster

3 x Plastic Rubbish Bins

Mugs, Plates, Cutlery, Steel Basins, Measuring Jugs

59 x Plastic Storage Bins, Baths, Buckets

5 x Small Wooden Storage Crates

# Strengths?

Quality brand

Excellent customer relationships with long-standing customers

Top quality luxury products

Products are customisable for customer branding

Successfully exported to the following countries: Kenya, Qatar, UAE, Namibia, Botswana and Zambia

# Weaknesses?

Business needs more focussed sales Needs an agent / rep in the Western Cape

# **Opportunities?**

Grow export market
Expand into hotel, game lodge and spa groups
Launch additional products into the customer base
Spa Consultant companies
Pharmacy Groups
More online focus eg. Takealot, Amazon

# **Threats?**

Inferior products

# What is the reason for the sale?

Owner wants to retire