

business
for sale



Date: **5th February 2025**
Business Reference: **36421**

About the Business:

Environmentally friendly woodworking and manufacturing business in the Western Cape

This ecofriendly business uses old and recycled wood to create exciting new products. They collect used wood which they process and then use to design and create products which they ship nation wide for consumers to buy in stores and online.

Environmentally friendly woodworking and manufacturing business in the Western Cape



Sector: **Manufacturing**

Asking Price:

R 1,820,000

Monthly Profit:

R 63,151

Asset Value:

R 114,200

Stock Value:

R 30,000

Yearly Net Profit :

R 631,511



Business Report

Fully describe the business's activities?

The day to day operations of this business entails collecting wood, like pallets, processing the pallets, designing products and creating exciting new products from recycled wood. The products they make then gets shipped nation wide for consumers to buy in stores and online.

How does the business operate on a daily basis?

The business day starts with morning meetings where targets are set for the day.

Collection of pallets, stripping of pallets and manufacturing of products happen throughout the day.

Online order fulfillment, quotes etc. happen throughout the day.

What Advertising/Marketing is carried out?

The business has a large online presence with over 6000 followers on Instagram and over 1000 on Facebook. Most of their marketing is done on social media and they receive many enquires about their products from these channels. The business also sends monthly emails regarding new products to clients and have regular promotional give aways . They have many recurring orders from large chain stores and online sellers. They also place promotional flyers inside all shipped orders.

What competition exists?

This business is considered the leading maker and supplier of these specific products in South Africa. One smaller company exist that provide the same products, but in small quantities that does not influence the business significantly.

How could the profitability of the business be improved?

Reducing costs, increasing turnover, increasing productivity, and increasing efficiency with labor.

Synergy for example by moving the business to a buyers premises can decrease overheads.

The business can be moved anywhere in South Africa, but key staff members must be retained.

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

Employee 1 : Their factory manager, ensures the day to day operations are completed and is loyal and extremely trustworthy. He is also a hard worker. Currently employed for 5 years

Employee 2: General worker in factory. Currently employed for 5 years.

Employee 3: Assembler of products. Currently employed for 3 years.

Employee 4: General worker, does delivery and order fulfillment daily and assembling of products. Currently employed for 4 years.

Employee 5: General worker. Currently employed for 5 years.

Employee 6: General worker. Currently employed for 6 months.

Employee 7: General worker. Currently employed for 1 year.

Do any have management potential?

Yes, two senior employees do have.
Both are trustworthy and hardworking

How involved is the Owner in running the business?

They are there, daily managing the business and dealing with all operations however due to the factory manager doing a fairly large portion of the work they have flexibility with hours .

When does the current lease end?

6 months from now - can be renewed. Owners are relaxed and no issues in general

What are the trading hours?

8am - 5pm
Monday to Friday

What are the main assets of the business?

Tools in the factory and machines needed for operations. All wood and product already made.

Strengths?

They have a great team of staff, it has taken a few years to find the right staff.
Business with chain stores and recurring orders.
Large online platform
Working environment is positive
Daily tasks have long been established and staff know the process and the work is repetitive

Weaknesses?

Production line can get overwhelmed and fall behind on deadlines if not managed properly.

Opportunities?

Amazon South Africa 2024 and SARCEA Trade shows also Proudly South African trade shows

Threats?

Knock off products - however trade mark is pending will be completed in 2024

What is the reason for the sale?

The owners want to move into a new direction and start a family.