

**business**  
for sale



Date: **22nd February 2025**

Business Reference: **37153**

About the Business:

## **Profitable RMI-approved gearbox specialist with strong client base and high-demand services.**

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Leading RMI-approved provider of gearboxes, differentials, and transfer cases for trucks, buses, and earth-moving vehicles. Specializing in reconditioning, exchange, and outright sales, all backed by warranties of up to three years. Established client base, high service capacity, and after-hours support ensure strong, ongoing demand

# Profitable RMI-approved gearbox specialist with strong client base and high-demand services.



Sector: **Services**

Asking Price:

**R 39,000,000**

Monthly Profit:

**R 1,084,089**

Asset Value:

**R 11,332,142**

Stock Value:

**R 5,000,000**

Yearly Net Profit :

**R 13,009,067**



# Business Report

## Fully describe the business's activities?

The company is a leading provider of gearboxes, differentials, and transfer cases for trucks, buses, and earth-moving vehicles. Their services include reconditioning, exchange, and outright sales of these units, all backed by warranties of up to three years. With a dedicated in-house engineering department, all engineering work is performed on-site, ensuring quality control and efficiency without the need for outsourcing. Committed to long-term client relationships, the company operates an on-site workshop capable of handling high service volumes. As an RMI-approved service provider, they also offer after-hours support to ensure continued customer assistance.

## How long has the business been established?

Since 1987

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

The company operates with a well-structured and efficient workflow, ensuring seamless service delivery. The administrative department handles bookings and client communications, ensuring all work is logged and scheduled accurately. Jobs are then allocated to the workshop, where experienced technicians carry out reconditioning, exchange, and outright sales services and advise under the supervision of a dedicated workshop manager. The manager ensures best practices are followed, maintaining high service standards and quality control. Clients can only collect items after full payment has been received, ensuring a secure and streamlined transaction process. With a strong management team overseeing daily operations, the company upholds its reputation as an RMI-approved service provider. After-hours support is also available to meet customer needs, reinforcing their commitment to long-term client relationships and reliable solutions for trucks, buses, and earth-moving vehicles.

## How are the clients attracted to the business?

Clients are attracted to the business through its strong reputation as an RMI-approved provider, offering quality workmanship with up to a three-year warranty. A well-structured staff and management team ensures efficient service delivery, while a high-capacity workshop enables fast turnaround times. The company provides comprehensive solutions, including reconditioning, exchange, and outright sales, with after-hours support for added convenience. Strategic industry partnerships, a strong online presence, competitive pricing, and excellent customer service further enhance its appeal, making it a trusted choice for trucking, construction, and fleet management clients.

## What competition exists?

Despite a few competitors in the market, the company has been the go-to specialist in the industry for 38 years, earning a strong reputation for quality and reliability. Its longstanding presence, expertise, and commitment to excellence have solidified its position as a trusted leader in gearbox, differential, and transfer case solutions

## How could the profitability of the business be improved?

The owner moved to George and having an owner that is involved on a more regular basis will have a positive impact on the business.

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

The staff members' duties range from mechanical, cleaning, HR, debtors & creditors, general workers to managers.  
Length of service range from 4-22 years.

## Do any have management potential?

Yes

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

The owner is based in George; however, the company's software systems and key staff members enable effective oversight and management of operations.

## When does the current lease end?

April 2026

## What are the trading hours?

Mon to Fri: 7:30-16:30

## Strengths?

**Established Reputation:** 38 years in the industry, known as the go-to specialist for gearboxes, differentials, and transfer cases.

**RMI-Approved:** Recognized for quality and reliability, enhancing trust with clients.

**In-House Engineering:** Engineering and quality control are managed internally, ensuring high standards and efficient service.

**Efficient Workflow:** Well-structured processes with dedicated administrative and workshop teams, ensuring smooth service delivery.

**After-Hours Support:** Available to meet client needs, reinforcing long-term relationships.

**Strong Client Base:** Long-term relationships with clients, including dealerships and agents, ensure consistent demand.

**Growing Industry Demand:** The mass hauling industry in South Africa is expanding due to a lack of reliable rail infrastructure, increasing demand for heavy-duty vehicle services.

## Weaknesses?

**Limited Credit Extension:** Only extending credit to agents (dealerships) may limit the ability to attract other clients who prefer credit terms.

**Owner's Location:** The owner's relocation to George and absence from the day-to-day operations may limit on-the-ground oversight and responsiveness.

## Opportunities?

**Growing Demand for Earth-Moving Vehicle Services:** Increasing demand for reliable services in the construction and mining sectors could present growth opportunities.

**Partnerships and Collaborations:** Forming strategic partnerships with manufacturers, dealerships, or other service providers could expand service offerings and increase market reach.

## Threats?

**Economic Downturn:** Economic challenges affecting clients.

## What is the reason for the sale?

The owner has relocated to George and finds the travel between locations increasingly challenging, which is the primary reason for selling the business.