

business
for sale



Date: **12th March 2025**
Business Reference: **37204**

About the Business:

Comprehensive tech provider: telecom, security, voice, printing, solutions.

This South African company, established since the telecommunications deregulation in 1988, specializes in advanced communication and surveillance solutions. With a strong history of introducing private branch exchange (PBX) systems, it has evolved to offer high-quality digital video surveillance and recording systems, enabling clients to monitor operations remotely or locally for security, management, and safety

purposes. The firm also provides a robust voice logging platform for storing and retrieving customer interactions, catering to various industries. Beyond telecom, it has expanded into office supplies, building a reputation for competitive pricing and reliable service. Emphasizing professionalism and customer respect, the company supports modern workplace needs with VoIP, cloud services, and adaptive printer-copier solutions, positioning itself as a versatile partner for businesses navigating a digitized, mobile workforce. Its commitment to excellence is reflected in client testimonials praising efficiency and after-sales support.

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Sector: **Services**

Asking Price:

R 2,800,000

Monthly Profit:

R 90,543

Asset Value:

R 504,921

Stock Value:

R 40,000

Yearly Net Profit :

R 1,086,520



Business Report

Fully describe the business's activities?

They specialises in telecommunications and security solutions, focusing on providing cutting-edge PBX systems, digital surveillance, copiers, printers and voice logging platforms. Their tailored services aim to optimise business communication, enhance security measures, and improve operational efficiency across industries.

How does the business operate on a daily basis?

Handle Requests for Quotations:

- Receive quotation requests from sales representatives and existing clients.
- The owner sources the best deals from various suppliers.
- Quotations are then sent to customers.

Process Accepted Quotations:

- Once a quotation is accepted by a customer, it is passed on to the outsourced installation team to implement.

Customer Support:

- A team of two staff members manages service contracts.
- Assist current customers with any service-related issues.

What Advertising/Marketing is carried out?

The company relies primarily on referrals as its main source of business. Its strong reputation and commitment to exceptional service ensure satisfied clients frequently recommend its services to others. This word-of-mouth approach minimises the need for extensive advertising or marketing campaigns, as the quality of the company's work speaks for itself.

What competition exists?

The company operates in a competitive market, with several businesses offering similar services in hardware maintenance, data solutions, and voice services. Competitors range from large, established telecommunications providers to smaller, specialized service companies.

However, the company differentiates itself through:

Exceptional Service Quality: A reputation for reliability and customer satisfaction ensures strong client retention.

Comprehensive Solutions: Offering a combination of hardware, data, and voice services under one roof provides added convenience for clients.

Referral-Driven Growth: A strong network of satisfied clients drives new business, reducing the need to compete heavily on advertising or pricing.

This combination of strengths positions the company favourably in the marketplace, despite the presence of competition.

How could the profitability of the business be improved?

The company previously employed a team of five sales representatives, generating R17 million in sales. However, the negative impact of COVID led to a reduction in the sales team. The owner, a key sales rep, planned to emigrate, which diverted his focus. With the focus now on rebuilding and expanding the sales team, the company aims to drive further growth and capitalise on new sales opportunities.

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

Most of the staff has been with the company for over five years, contributing to a stable and experienced team. This long-term commitment ensures a high level of expertise and consistency in delivering quality service to clients.

Do any have management potential?

No

How involved is the Owner in running the business?

The owner is actively involved in running the business, particularly in sales, management, and overseeing technical operations. However, the business is structured in such a way that it can be easily transferred to another person. With a skilled team in place and clear operational systems, the transition would be smooth, allowing the new owner to step in without significant disruption.

When does the current lease end?

The lease has already ended, as the business is operated from home. This setup eliminates any lease-related concerns and provides flexibility, as there are no external premises to manage.

What are the trading hours?

Normal business

What are the main assets of the business?

The main assets of the business include:

Office Equipment: Necessary tools and technology to support day-to-day operations.

Stock:

- Telephones
- IP handsets
- Network switches
- Second-hand stock (including swap units and other equipment)

These assets support the business's technical and operational capabilities, ensuring smooth service delivery and customer satisfaction.

Strengths?

Service Level: The business is known for its exceptional service, ensuring client satisfaction and long-term relationships.

Innovative Solutions: The company continuously develops and implements creative solutions tailored to meet evolving client needs.

Client-Specific Solutions: Customised services and products are offered to suit the unique requirements of each client, enhancing value and satisfaction.

Good Supplier List: The business works with multiple suppliers for each product, ensuring flexibility, competitive pricing, and access to high-quality materials and equipment.

Weaknesses?

Not Enough Sales Reps: The business currently has a limited number of sales representatives, which can restrict growth and the ability to reach new markets. Expanding the sales team would help capitalize on opportunities and drive additional revenue.

Opportunities?

Lot of Quotes Out: There is a significant pipeline of quotes, presenting a strong opportunity for future sales and business growth.

Existing (450) and New Clients: With a solid base of 450 existing clients and the potential to attract new ones, there is ample room for expansion and increased sales.

Cloud-Based Services: As more businesses shift to cloud solutions, there is a growing demand for cloud-based services, offering the opportunity for more recurring revenue streams.

Threats?

Rand/Dollar Exchange Rate: Fluctuations in the Rand/Dollar exchange rate could impact costs, particularly for imported products and services, affecting profit margins and pricing competitiveness.

What is the reason for the sale?

The owner is in the process of immigrating to the US, which is the primary reason for selling the business. This transition has led to a focus on divesting and seeking a suitable buyer to take over the operations.